

# NAVAL POSTGRADUATE SCHOOL

## Monterey, California



## THESIS

**CONTINGENCY CONTRACTING WITHIN THE  
DEPARTMENT OF DEFENSE: A COMPARATIVE  
ANALYSIS**

by

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December 2000

Thesis Advisor:

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DEFENSE: A COMPARATIVE ANALYSIS**

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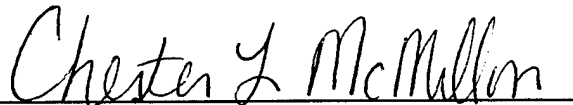
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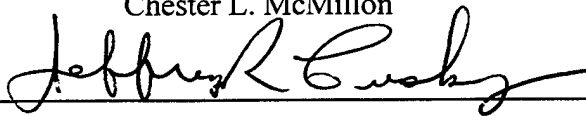
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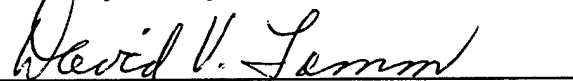


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## ABSTRACT

Contingencies such as regional conflicts, humanitarian and peacekeeping missions, or international or domestic disaster relief missions dictate the immediate deployment of military forces. This rapid deployment of Service members and other military assets requires concurrent deployment of supporting assets such as Contingency Contracting Officers (CCOs). The purpose of this research was to detail and compare the contingency contracting establishments of the Air Force, Army, Navy/Marine Corps, and Defense Contract Management Agency.

The thesis compares and contrasts the regulations governing the contingency contracting operations, the organization structure, contingency contracting support plans, and the training requirements and duties of CCOs of the aforementioned components. All components have adequate structures in place for contingency contracting. However, the research provides several conclusions and recommendations on how the Services could conduct contingency contracting operations more efficiently. Recommendations include the establishment of a contingency contracting chief within the Marine Corps, scenario-based field training within Department of Defense and the Services, and tailored pre-deployment training within each Service. As the Services continuously redefine their missions, they must adapt all subordinate units and organizations to ensure personnel have the training and equipment to meet any contingency.



## TABLE OF CONTENTS

I. INTRODUCTION.....	1
A. BACKGROUND .....	1
B. OBJECTIVES OF THE RESEARCH .....	2
C. RESEARCH QUESTIONS.....	3
D. SCOPE .....	3
E. RESEARCH METHODOLOGY .....	4
F. ASSUMPTIONS .....	4
G. LIMITATIONS .....	4
H. DEFINITION OF KEY TERMS .....	5
I. ORGANIZATION OF THESIS .....	7
II. OVERVIEW OF DOD CONTINGENCY CONTRACTING .....	9
A. INTRODUCTION .....	9
B. CONTINGENCY CONTRACTING .....	9
C. RECENT MAJOR CONTINGENCIES.....	13
1. Operation Desert Shield/ Desert Storm.....	13
2. Operation Restore Hope.....	16
3. Operation Joint Endeavor/ Joint Guard/ Joint Forge .....	19
4. Operation Allied Force/ Joint Guardian.....	21
D. SUMMARY .....	23
III. CONTINGENCY CONTRACTING WITHIN DOD.....	25
A. INTRODUCTION .....	25
B. AIR FORCE CONTINGENCY CONTRACTING.....	25
1. Regulations and Policy .....	25
2. Organizational Structure .....	26



3. Contingency Contracting Support Plan .....	28
4. Training Requirements for CCOs .....	30
5. Duties of CCOs .....	31
6. Service Unique Issues .....	36
C. ARMY CONTINGENCY CONTRACTING .....	37
1. Regulations and Policy .....	37
2. Organizational Structure .....	38
3. Contingency Contracting Support Plan .....	41
4. Training Requirements for CCOs .....	42
5. Duties of CCOs .....	43
6. Service Unique Issues .....	46
D. MARINE CORPS CONTINGENCY CONTRACTING .....	47
1. Regulations and Policy .....	47
2. Organizational Structure .....	47
3. Contingency Contracting Support Plan .....	49
4. Training Requirements for CCOs .....	50
5. Duties of CCOs .....	50
6. Service Unique Issues .....	54
E. DCMA CONTINGENCY CONTRACTING .....	55
1. Regulations and Policy .....	55
2. Organizational Structure .....	56
3. Contingency Contracting Support Plan .....	57
4. Training Requirements for CCOs .....	59
5. Duties of CCOs .....	59
6. Agency Unique Issues .....	60
F. SUMMARY .....	62
IV. COMPARATIVE ANALYSIS .....	63
A. INTRODUCTION .....	63
B. REGULATIONS AND POLICIES .....	63
C. ORGANIZATIONAL STRUCTURES .....	65
D. CONTINGENCY CONTRACTING SUPPORT PLANS .....	69
E. TRAINING REQUIREMENTS FOR CCOs .....	70
F. DUTIES OF CCOs .....	71

G. SERVICE/AGENCY UNIQUE ISSUES.....	74
H. SUMMARY .....	75
V. CONCLUSIONS AND RECOMMENDATIONS .....	77
A. INTRODUCTION .....	77
B. CONCLUSIONS.....	77
1. Lack of Realistic Joint Contingency Contracting Training .....	77
2. Lack of Dedicated Contingency Contracting Representative within the Marine Corps .....	78
3. Lack of Individualized Pre-deployment Training within the Services .....	79
C. RECOMMENDATIONS .....	80
1. Establish Service-wide and Joint Scenario-based Training within DoD .....	80
2. Establish Dedicated Contingency Contracting Representative within the Marine Corps .....	81
3. Establish Individualized Service Pre-deployment Training.....	82
D. AREAS FOR FURTHER RESEARCH.....	83
1. The Use of the Standard Procurement System during Contingencies .....	83
2. Revising CON 234 to Include Field Training.....	84
3. Potential CONUS Legislation Relaxations for Contingency Contracting Operations and Training Exercises .....	84
LIST OF REFERENCES.....	85
BIBLIOGRAPHY.....	89
INITIAL DISTRIBUTION LIST.....	91



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## **I. INTRODUCTION**

### **A. BACKGROUND**

Contingencies are unforeseen events that dictate the rapid deployment of military forces. Possible contingencies that U.S. forces can be called to immediately respond to include regional conflicts, humanitarian and peacekeeping missions, or international or domestic disaster relief missions. The rapid deployment of Service members and other military assets requires concurrent deployment of supporting assets such as contingency contracting personnel. Contingency Contracting Officers (CCOs) are responsible for combat support, combat service support, or any other supply function that organic logistics units cannot provide. This support gives organizations the ability to deploy and act quickly during contingency operations. It can also free airlift and sealift space for other urgent requirements and increase the organization's ability to overcome any unforeseen situations that arise in these situations.

The various Armed Forces perform various missions and several Services have been forced to redefine their missions as a result of the end of the Cold War. For example, the U.S. Army is currently reinventing itself as a lighter, more mobile force. The Air Force, in order to perform more responsively, has created Air Expeditionary Forces and Wings.

Roles and missions of the military Services and defense agencies are being redefined. Increasingly the military is being called upon to assist in domestic response to national emergencies as well as in worldwide humanitarian and peacekeeping efforts. As the national security strategy focuses on responses to regional conflicts, U.S. military personnel and

equipment may be called upon to perform in widely varying environments ranging from the desert to arctic conditions. [Ref. 1: p. 43]

The Services also continue to deal with personnel problems such as recruiting and retention and must continue to do more with less personnel and budget authority. Despite these challenges, the Services are being called to respond to numerous conflicts in varying environments. Their success depends on the readiness and sustainment of their combat forces. This research will examine the extent to which Services have considered and developed plans for contingency contracting in their overall readiness.

## **B. OBJECTIVES OF THE RESEARCH**

The primary objective of this research is to detail and compare the contingency contracting establishments of the Air Force, Army, Navy/Marine Corps, and Defense Contract Management Agency (DCMA). The research will focus on the regulations governing the contingency contracting operations, the organization structure, contingency contracting support plans, and the training requirements and duties of contingency contracting personnel of the aforementioned components. This study will provide DoD contingency contracting personnel with a reference describing the current contingency contracting practices of the Services and DCMA. It will provide personnel with perspective on how other organizations conduct contingency contracting operations in actual contingencies, as well as in training exercises. Additionally, this research will examine how the Services operate within a joint contingency environment.

## **C. RESEARCH QUESTIONS**

The primary research question is: How do the Air Force, Army, Navy/Marine Corps and DCMA organize for and conduct contingency contracting operations and how might their current organizations change to provide contingency contracting support more responsively? The subsidiary research questions are:

1. What are the contingency contracting organizational structures of the Air Force, Army, Navy/Marine Corps, and DCMA?
2. What regulations govern contingency contracting in the Air Force, Army, Navy/Marine Corps, and DCMA?
3. What Contingency Contracting Support Plans (CCSPs) exist in the Air Force, Army, Navy/Marine Corps, and DCMA?
4. How do the Air Force, Army, Navy/Marine Corps, and DCMA execute their respective CCSPs?
5. What roles do the respective organizations play within a joint contingency contracting scenario?
6. What are the training requirements for contingency contracting personnel in the Air Force, Army, Navy/Marine Corps, and DCMA?
7. What are the component unique contingency contracting issues facing the Air Force, Army, Navy/Marine Corps, and DCMA?

## **D. SCOPE**

This thesis compares the contingency contracting organization and policies of various components within DoD. It provides a review of general contingency contracting principles and describes the contingency contracting regulations, organization, contracting support plans, as well as training and duties of contingency contracting



personnel in the Services. It then compares and analyzes the organizations in these areas. Lastly, it provides recommendations on how the organizations might change based on the findings.

#### **E. RESEARCH METHODOLOGY**

The methodology used in this thesis research includes a thorough literature search of prior research, books, magazine articles, CD-ROM systems, other library information resources about contingency contracting, and DoD, Air Force, Army, and Navy/Marine Corps, and Defense Logistics Agency (DLA)/DCMA regulations on contingency contracting. Interviews of key contingency contracting policymakers of each component provide component-unique information and perspective on contingency contracting.

#### **F. ASSUMPTIONS**

It is assumed throughout this thesis that the reader has a basic understanding of the general organizational structures of the Armed Services. It is also assumed that the reader has a basic understanding of contracting procedures and regulations of the Federal Acquisition Regulation (FAR) and the Department of Defense Federal Acquisition Regulation Supplement (DFARS).

#### **G. LIMITATIONS**

Most current contingency contracting regulations are a direct result of lessons learned by DoD members within the last decade. All information utilized in the research was written during and after Operation Desert Shield/Desert Storm. Navy/Marine Corps

contingency contracting research provided in the thesis will be limited to Marine Corps contingency contracting organization due to the Navy's heavy reliance on husbandry service contracts for littoral support.

## **H. DEFINITION OF KEY TERMS**

The following definitions will assist the reader in developing an understanding of the contingency contracting process within DoD:

1. Contingency Contracting – Direct contracting support to tactical and operational forces engaged in the full spectrum of armed conflict and Military Operations Other Than War, both domestic and overseas. It includes Major Regional Conflicts, Lesser Regional Conflicts, Military Operations Other Than War, and Domestic Disaster/Emergency Relief. [Ref. 2: p. 2:6]
2. Contracting – Purchasing, renting, leasing, or otherwise obtaining supplies or Services from non-Federal sources. Contracting includes descriptions (but not requirement determinations) of supplies and Services required, solicitation and selection of sources, preparation and award of contracts, and all phases of contract administration. It does not include making grants or cooperative agreements. [Ref. 3: p. 5]
3. Declared Contingency – Contingency operation of DoD declared by either the Secretary of Defense when members of the Armed forces may become involved in military actions against an enemy of the United States or the President or Congress when members of the uniformed forces are called on active duty under Title 10, United States Code or any provision of law during a declared war or national emergency. The declaration of a contingency raises the Simplified Acquisition Threshold (SAT) to \$200,000 for any contract to be awarded and performed or purchase made, outside the United states in support of a contingency operation. [Ref. 2: p. 2:6]
4. Humanitarian or Peacekeeping Operation – Military operation in support the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under Chapter VI or VII of the Charter of the United

Nations. The FY97 Defense Authorization Act increase the SAT to \$200,000 for these types of operations when performed outside of CONUS. [Ref. 2: p. 2:7]

5. Domestic Disaster/Emergency Relief – Operations that can range from domestic and man-made disasters to civic disturbances to terrorist activity within the U.S. DoD missions in the area of disaster relief include efforts to mitigate the results of natural or man-made disasters such as hurricanes, earthquakes, floods, oil spills, riots, and air, rail or highway accidents. [Ref. 2: p. 2:8]
6. Lesser Regional Conflict – Conflict involving ongoing, imminent or likely hostilities involving the U.S. military, but where there is a less than substantial commitment of forces. [Ref. 2: p. 2:7]
7. LOGCAP – Contract originally awarded by United States Army Command Europe (USACE) in 1992 to Brown and Root Services, which provides for planning and execution of combat support and combat service support for all types of contingency operations. The contract with Brown and Root expired in 1997 and the Army Material Command (AMC) awarded a new contract to DynCorp. DynCorp is responsible for developing a worldwide response plan and individual plans for the five most likely regional contingencies as determined by the Joint Chiefs of Staff and providing services during the actual contingencies. [Ref. 2: pp. 4:14 – 4:15]
8. Major Regional Conflict – Conflict where hostilities are ongoing, imminent or likely and where there is a substantial commitment of U.S. military forces. [Ref. 2: p. 2:7]
9. Micro-purchase – Acquisition of supplies or services (excluding construction), the aggregate amount does not exceed \$2,500. Micro-purchase for construction is limited to \$2,000. [Ref. 4: Part 2.101]
10. Military Operations Other Than War (MOOTW) - Wide range of activities where the military instrument of national power is used for purposes other than the large-scale combat operations usually associated with war. Joint Publication 3-0 lists the following categories of MOOTW: Arms Control, Combating Terrorism, Counter-drug Operation, Nation Assistance, Noncombatant Evacuation Operations, Civil Support Operations, Peace Operations, and Support to Insurgents. [Ref. 2: p. 2:7]
11. Nondeclared Contingency – Any contingency operation of DoD other than declared contingencies. [Ref. 2: p. 2:6]

12. Simplified Acquisition Threshold (SAT) - \$100,000, except that in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation (as defined in Title 10, United States Code) or a humanitarian or peacekeeping operation (as defined in 10 U.S.C.), the term means \$200,000. [Ref. 4: Part 13.101]
13. Small Purchase – Acquisition of supplies, services, and construction in the amount of \$25,000 or less using the small purchase procedures established in the FAR. [Ref. 3: p. 7]

## **I. ORGANIZATION OF THESIS**

Chapter I of this thesis outlined the objectives, scope, assumptions, limitations and organization of the thesis. It also provided definitions of key terms associated with contingency contracting. Chapter II provides an overview of contingency contracting and perspectives of contingency contracting within each component. Chapter III explores in detail the specific regulations, structure, contingency contracting support plans and duties and training of Contingency Contracting Officers (CCOs) of the Air Force, Army, Marine Corps, and DCMA. Chapter IV analyzes the differences and similarities within contingency contracting operations of each organization. Chapter V provides the researcher's conclusions and recommendations. It also lists areas for further research on the topic.

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## **II. OVERVIEW OF CONTINGENCY CONTRACTING**

### **A. INTRODUCTION**

This chapter summarizes recent developments in contingency contracting within DoD. The first section of this chapter provides general characteristics of DoD contingency contracting. The next section of the chapter reviews major contingencies in the last decade including Operation Desert Shield/Desert Storm, Operation Restore Hope, and the numerous operations in Bosnia and Kosovo. It illustrates the roles of the Services and DCMA in the operations and any resulting development or modification of contingency contracting policies and structure within DoD as the result of lessons learned.

### **B. CONTINGENCY CONTRACTING**

Contingency contracting augments existing logistics support capabilities and provides new sources for critically required supplies and services. Contracting assets can provide initial deployment, sustainment, and redeployment supplies and services. Examples of supplies that can be obtained through contracting in contingencies include bottled water, food, office and field supplies, construction items, repair parts, and medical supplies. Contracted services may include construction, laundry, food service, transportation, billeting, utilities maintenance, and sanitation services.

Contingency operations that DoD agencies can support range from local disaster relief missions to full-scale war operations. Contracting personnel may deploy as a

member of a small team or may operate within one of several joint contingency contracting offices within a region. Contingency operations above battalion size will normally be joint or unified operations under the command of an unified commander-in-chief. A joint task force is usually established and the joint task force commander activates a joint acquisition board to coordinate requirements from individual Service contracting offices and integrates the individual detachments or offices into the overall theater logistics operation. [Ref. 5: pp. 2-4]

The FAR and DFARS are the principal regulations that govern the DoD contracting process. The Air Force, Army, Marine Corps, and DCMA have written supplements to provide their members more specific guidance regarding contingency contracting. United States public laws, the FAR, DFARS, and Service FAR supplements are not revoked or suspended by contingencies unless specifically exempted. Contingency contracting personnel within the Services rely on their Service's policies but can look to the FAR for the exemptions that can be applied during contingency operations. Exemptions common to DoD contingency contracting are listed below. Table 1 provides additional FAR exemptions.

1. Limiting sources in solicitations when an urgent and compelling requirement precludes full and open competition.
2. Omitting synopses of proposed contract actions when it would delay award and injure the Government.
3. Using oral solicitations, awarding letter contracts and other forms of undefinitized contract actions to expedite the start of work.

4. Requesting authority to award emergency requirements before resolving a protest against contract award.
5. Allowing for the acquisition of commercial items up to \$5 million.
6. For contracts to be awarded and performed or for purchases made outside the United States in support of military contingency, humanitarian assistance or peacekeeping operations, the simplified acquisition threshold is raised to \$200,000. (For the purpose of changes in the simplified acquisition threshold, the 10 U.S.C.101(a)(13) definition of 'contingency' applies and the 10 U.S.C.2302(7) and 41 U.S.C.259(d) definition of 'Humanitarian or Peacekeeping Operations' under United Nations Chapter VI or VII applies). [Ref. 5: p.6]

There are several assumptions that can be made concerning DoD contingency contracting. All requests for services and supplies during contingencies will be of an urgent nature. Any delays in fulfilling requirements can seriously impair the requesting unit's combat effectiveness, morale, and mission accomplishment. Laws and regulations will be relaxed to the maximum extent possible for these types of operations. DoD contingency contracting personnel should be aware that the prohibition on contracts with cost-plus-percentage-of-cost arrangements has never been waived for any contingency.

CCOs should expect to have the authority required to accomplish the mission. All responsibilities that can be delegated to the CCO should be made prior to the deployment or as soon as practical. It is the CCO's responsibility to ask for the authority he or she feels is needed to accomplish the mission. CCOs should do whatever it takes to fulfill requirements, but they must comply with all existing laws and regulations to the fullest extent possible while accomplishing the mission. [Ref. 2: p. 2-11]



Reference	Subject	Exceptions Allowed
5.202(a)(2)	Synopsis	Not applicable for purchases conducted using simplified acquisition procedures, if unusual and compelling urgency exists.
5.202(a)(3)	Synopsis	International agreement, treaty or organization specifies the source of supply. For contracts by written direction of foreign governments reimbursing cost of acquisition.
5.202(a)(12)	Synopsis	Does not apply overseas if subject to the Trade Agreements Act or North American Free Trade Agreement (see Subpart 25.4).
6.001(a)	Competition Requirements	Does not apply to contracts awarded using the simplified acquisition procedures in FAR Part 13.
13.111(b)	Covenant Against Contingent Fees	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(c)	Restrictions on Subcontractor Sales to the Government	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(d)	Anti-kickback Procedures	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(e)	Audit and Records – Negotiation	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(f)	Contract Work Hours and Safety Standards Act	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(g)	Drug Free Workplace Certification	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(h)	Estimate of Recovered Material	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
25.102(a)(1)	Buy American Act	Not applicable for items purchased outside U.S. and its territories.
25.302(b)	International Balance of Payments Program	Acceptable to buy foreign at or below the simplified acquisition threshold.
25.501	Payment in Local Currency	Contracts entered into and performed outside the US with local foreign firms will be priced and paid in local currency unless international agreement provides for payment in U.S. dollars or contracting officer determines local currency to be inappropriate.
25.703(a) and FAR Supplement 28.102-1(a)	Restrictions on Certain Foreign Bonds	Authorized to buy items restricted under 25.702(a) in unusual situations for use outside U.S. its possessions or Puerto Rico. The contracting officer can waive Miller Act 40 U.S.C.270a-f for overseas construction.

Table 1. FAR Exceptions. From Ref. [5].

## **C. RECENT MAJOR CONTINGENCIES**

### **1. Operation Desert Shield/ Desert Storm**

In August 2, 1990 Iraqi military forces invaded the Republic of Kuwait. Three Iraqi divisions overtook Kuwait City and proceeded to the Kuwait-Saudi Arabia border in 36 hours. Even though the United Nations approved a trade embargo against Iraq on August 6, President Bush ordered troops to Saudi Arabia to prevent further aggression from Iraq. Within days, three Marine Expeditionary Brigades (MEBs) and two Maritime Preposition Squadrons deployed to the Persian Gulf. [Ref. 3: p. 19]

The FAR, DFARS, and AFARS did not provide specific guidance concerning contingency operations. The cumbersome regulations made things difficult in an environment when responsiveness was the key to mission accomplishment. While restricted by the peacetime procurement regulations, contracting personnel were tasked with providing immediate supply support.

Some problems areas associated with regulations during Desert Shield included cost and pricing data, full and open competition, DLA approval for centrally managed items, and determination of responsibility. Additionally, the Procurement Integrity Act added unnecessary requirements. ...The complex nature of completing proposals in accordance with the FAR was incompatible with the urgency required to procure materials and services in support of deployed forces. [Ref. 6: pp. 25-26]

Very little was written to document Marine Corps contingency contracting efforts during Operation Desert Storm /Desert Shield. An after action report and a procurement

management review have been the only two pieces of detailed literature from the period. [Ref. 3: p. 9.] When the initial Marine Expeditionary Brigade deployed to the Persian Gulf in August 1990, only one enlisted Purchasing and Contracting Specialist (Military Occupational Specialty 3044) was with the unit. Four senior enlisted 3044s later joined him, and they established their office in Jubail, Saudi Arabia.

All of the 3044s were initially warranted to \$25,000, the SAT previous to the Federal Acquisition Streamlining Act (FASA) of 1994. The Deputy Chief, Installation and Logistics (I&L) appointed them as contracting officers with contracting authority up to \$250,000. Three contracting officers, a Major, a CWO-4 and civilian GM-13, deployed with additional enlisted personnel to support the operation in mid-September 1990. Unlike the enlisted personnel who initially deployed, they arrived with needed equipment such as computers, printers, and software. [Ref. 6: pp. 20-27]

Marine Corps contingency contracting personnel deployed to the Persian Gulf felt that the regulations in place at the time were their most difficult challenge. The SAT at the beginning of the operation in August 1990 was \$25,000. It was raised to \$100,000 in a memorandum from the Office of the Assistant Secretary of Defense for Procurement in December 1990. [Ref. 6: p. 39]. The low SAT during the first four months of the operation adversely affected the responsiveness of the contracting personnel. Other major problems identified by Marine contracting personnel were training and the lack of needed equipment in the initial deployment.

There were obvious deficiencies in the training and education of some members of the contracting team as well as deficiencies in the type of

equipment that was initially deployed in support of the contracting effort. Once a well-staffed and equipped contracting office was in place operations went much smoother. [Ref. 6: p. 53]

The unexpected deployment of soldiers to Saudi Arabia and the rapid build-up of forces also created a surprising challenge for Army contingency contracting personnel. Personnel from the XVIII Airborne Corps Acquisition Section (CAS) had no established contingency contracting training. The course provided by the Army Logistics Management College (ALMC) provided Army personnel instruction on formalized contracting in stable environment and made no mention of contracting in a contingency environment. [Ref. 6: p.33] Many were inexperienced and unprepared for the volume of support requirements. They were not familiar with Saudi business practices and had no knowledge of potential sources. The problems they faced were different from those encountered at their home installations. The immediate deployment of contracting personnel did not allow any prior planning.

The Army officially established CCOs after the Persian Gulf War to support its commanders beyond their organic support capabilities in future contingencies. [Ref. 7: p. 2] The Army published their contingency and field contracting regulation, titled *Contingency Contracting*, Army Federal Acquisition Regulation Supplement Manual No. 2, as a supplement to the Army Federal Acquisition Regulation Supplement (AFARS) in spring 1994. It was based on numerous lessons learned from Operations Desert Storm/Desert Shield, Operation Just Cause (Panama), Granada, and even Vietnam. The Air Force also initiated a comprehensive improvement to its original method of

contracting for contingencies after Operation Desert Shield/Desert Storm. It revised its contingency contracting regulations and handbook, developed software with pre-drafted contracting forms, and initiated its own Contingency Contracting Officer course. [Ref. 1: pp. 56-59]

## **2. Operation Restore Hope**

United States Central Command (U.S. CENTCOM) stood up Joint Task Force-Provide Relief (JTF-PR) in August 1992 to support humanitarian relief efforts in Somalia. Operation Restore Hope commenced when the 11th Marine Expeditionary Unit (MEU) deployed to Somalia on December 9, 1992. JTF-PR contracting personnel in Somalia when the initial forces landed included a Marine Corps Major, an Air Force Captain, and one Sergeant from each of the two Services. They were directed to begin contracting support on December 13, 1992. The limited authority of contracting personnel that initially deployed was a problem here as it was in Operation Desert Storm. [Ref. 8: pp.1-2]

The Marine Contracting personnel provided primary logistical support for JTF-PR for the first 50 days of the operation. In January 1993, the Marine Corps contracting office in Mombasa, Kenya had four officers with unlimited warrants and five enlisted personnel with \$100,000 dollar warrants. There were also funding issues due to the large number of supporting forces and countries that made up the United Nations coalition.

Marine contracting personnel used preformatted contracts and other instruments as a direct result of lessons learned during operations in Saudi Arabia. [Ref. 8: p. 3]

Several issues surfaced during the contingency as they did in Desert Storm. Some Marine personnel deployed without the equipment needed to accomplish their job. Marines from 1st Force Service Support Group (FSSG) deployed with equipment and supplies while personnel from 2<sup>nd</sup> and 3<sup>rd</sup> FSSGs did not deploy with computers, printers, software or other supplies to augment the office. The declaration of Operation Restore Hope as an official contingency raised the SAT to \$100,000, but other regulations continued to reduce the responsiveness of the contracting office. In his after action report, Major Michael Corcoran, the Marine Corps CCO, cited the requirement for submission of Business Clearance Memorandums (BCMs) to Headquarters Marine Corps (HQMC) as an example of such a cumbersome regulation that delayed contracting support. [Ref. 8: pp. 15-16]

The Marine contracting office and the follow-on Army office were under the operational control of the JTF-PR director of acquisition, Army Lieutenant Colonel Toler. Army contracting personnel in Somalia encountered difficulties with coordinating purchases among the Services. Oversight was required to ensure all major purchases were coordinated to prevent Service contracting activities from unnecessarily competing for limited resources. [Ref. 9: pp. 62-65] Lieutenant Colonel Toler was reminded that this had been a significant problem during Operation Desert Storm and established the CINC Acquisition Board to coordinate Service component contracting and cross-servicing

agreements to minimize the competition among the Services and increase the use of economic order purchasing to minimize price escalation. [Ref. 10: p. 19]

Army contracting personnel planners expected the operation to last less than 90 days and limited funding was provided. Contracting personnel could only award contracts for periods of 90 days at a time. Uncertain funding also increased the chances of possible Anti-Deficiency Act violations. The Air Force provided a Captain and Sergeant for support of the operation. While they were under operational control of the Marine Corps contracting office for the first fifty days and then Army office after D+50, they remained at Moi International Airport in Mombasa. Air Force personnel supported the air component, which consisted mostly of Air Force assets. [Ref. 8: p. 7]

DCMA, known then as the Defense Contract Management Command (DCMC), a component of the Defense Logistics Agency (DLA) until April 1999, did not send contingency contracting teams to Operation Desert Shield/Desert Storm but has been very active in contingencies since. When DoD decided to deploy forces to Somalia, DCMC was prepared to provide contract administration support for the JTF-PR. They assumed responsibility for contract administration of the LOGCAP contract and all other long-term contracts.

The DCMC contract administration personnel were among the last U.S. personnel to leave Somalia, having overseen the LOGCAP supported redeployment and transfer of responsibilities to the U.N. [Ref. 10: p. 23]

### **3. Operation Joint Endeavor/ Joint Guard/ Joint Forge**

Operation Joint Endeavor began on 16 December when a NATO task force consisting of U.S. personnel under the United States European Command (U.S. EUCOM) and personnel from fifteen other countries deployed to Bosnia to enforce the Dayton Peace Accords. This Implementation Force (IFOR) was tasked with ending hostilities between Bosnian Croats and Serbs and implementing peace. The operation was successful and free elections were held in September 1996.

Operation Joint Guard commenced in December 1996 as the IFOR transitioned into a Stabilization Force (SFOR). The SFOR was tasked with maintaining the peace and providing a secure environment in accordance with the Dayton Peace Accords. Joint Guard ended and Operation Joint Forge began simultaneously on June 10, 1998. Joint Forge continues the peacekeeping operation and the SFOR continues its original mission. The U.S. currently provides approximately 6,900 personnel for SFOR and its headquarters at Tuzla, Bosnia. [Ref. 11]

United States Army Contracting Command Europe (USACCE) has been the executive agent for contracting support during the U.S. and NATO operations in Bosnia. The Army Material Command (AMC) provided Army contracting officers for support during the operations. Military and civilian contracting officers from various Army, Air Force and Marine Corps commands have deployed to support the USACCE contracting offices in theater.



USACCE operates three joint contracting centers (JCCs), one each in Bosnia (Tusla), Croatia (Slavonski Brod) and Hungary (Taszar). There are also two joint contracting offices (JCOs) that are under the control of the Taszar JCC. The JCOs are in Bosnia (Sarajevo) and Hungary (Budapest). [Ref. 12: p. 15]

Operations Joint Endeavor and Joint Guard in Bosnia provided Army contingency contracting personnel with significant learning points. While the initial CCOs that deployed to the theater had previous contracting experience, follow-on CCOs did not. There were also problems concerning the scope of the LOGCAP contract. Many personnel were under the misperception that LOGCAP covered all phases of the operation once activated. Additionally, the Army officer that initially supervised the LOGCAP contractor, Brown and Root Services, had no previous contracting experience. Once again, DCMA provided deployable Contingency Contract Administration Services teams (CCAS teams) to administer the LOGCAP contract.

Regulations were challenged in this operation as well, as contracting officers struggled with currency issues. Bosnia and Herzegovina had its own currency, the Bosnian Dinara. After the Dinara lost its value after the civil war, the German Deutsche Mark became the currency for the region. The FAR requires that contracts usually be paid in the host nation's currency. Local vendors considered the Dinara worthless and refused to accept it as payment. CCOs had to establish the Deutsche Mark as the currency for vendor payment. [Ref. 13: p. 28]

Other problems encountered by contracting personnel in Bosnia included a lack of administrative tools such as SOPs or templates of commonly used contracting forms and

the frequency of unauthorized commitments to purchase services by Government personnel other than CCOs. [Ref. 9: pp. 62-65] Several identified problems such as inexperienced CCOs and competition with other Services for resources had been consistent problems for every Service in previous contingencies.

#### **4. Operation Allied Force/ Joint Guardian**

United States forces, along with NATO allies, commenced Operation Allied Force on March 24, 1999 to stop Serbian advances in Kosovo. U.S. EUCOM was the lead organization and over 22,200 U.S. troops supported the operation, which consisted of mostly air strikes against Serbian military targets. The operation was officially terminated on June 20, 1999. Operation Joint Guardian commenced on June 11, 1999.

The mission of Operation Joint Guardian is to maintain a stable environment in pursuit of a democratic nation. The NATO-led Kosovo Force (KFOR) includes the U.S. and thirteen other countries. Approximately 7,000 U.S. military personnel are assigned to Task Force Falcon, in support of Operation Joint Guardian. The regional bases of operation include Camp Bondasteel and Camp Monteith in Kosovo and Camp Able Sentry in Macedonia. [Ref. 11] USACCE serves as the executive agent for contracting support for operations in Kosovo and tasks AMC and other Services as needed to provide CCOs.

Air Force contracting personnel have deployed to Kosovo to support their Air Expeditionary Force (AEF) in the theater. Air Force personnel have deployed to Camp

Bondasteel to support AEF operations. Contracting personnel have also deployed to Budapest, Hungary to support its refueling units in theater. Problems encountered include security requirements, funding issues and unauthorized commitments by commanders.

Brown and Root Services, the initial LOGCAP contractor, has played a major role in this region and continues to provide contractor support for the military forces. The original LOGCAP contract with Brown & Root Services expired in 1997. Brown and Root provides contractor support for operations in this region through the Balkans Sustainment Contract. DCMA teams have deployed to Kosovo to provide contract administration for this contract. The CCAS teams consist of approximately fourteen military and civilian personnel from various DCMA offices.

Administrative Contracting Officers (ACOs), quality assurance personnel, and price analysts deploy as members of each team. Four CCAS teams have deployed to Kosovo since March 1999. The only major problems indicated in the after action report for the second team in support of the operation, K2, were turnover time and experience concerning the Award Fee Evaluation Board (AFEB) for Brown and Root Services. Recommendations included the possibility of ACOs deploying one week earlier than the rest of the team. This would facilitate more turnover time and pre-deployment site visits with an in-theater AFEB to allow the team commander and lead ACO an opportunity to see how the process works. [Ref. 14: pp. 6-7] DCMA now coordinates site visits with the AFEBs to provide the new team commander and lead ACO the opportunity to see the process prior to their deployment. DCMA will send the previous team commander to sit

on the new commander's first AFEB if he or she does not have the opportunity to observe a board before deploying. [Ref. 15]

#### **D. SUMMARY**

This chapter provides the reader with a list of possible exemptions all DoD CCOs can expect to have available in contingency situations. It also summarizes several major contingencies that have involved the individual Services and DCMA since Operation Desert Shield/Desert Storm. Consistent problems for all components during contingencies have been the lack of experienced personnel, restrictive regulations, and a lack of proper supplies such as computers and contracting SOPs and forms. The Persian Gulf War Storm was the biggest deployment of U.S. forces since the Vietnam War and most Services created or modified their contingency contracting structures and procedures as a result of lessons learned. Major contingency operations that followed also identified deficiencies and most Services have corrected them in later deployments. The next chapter will examine the current contingency contracting structure for the Air Force, Army, Marine Corps, and DCMA in detail.

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### **III. CONTINGENCY CONTRACTING WITHIN DOD**

#### **A. INTRODUCTION**

This chapter describes contingency contracting organizations and regulations of the Air Force, Army, Marine Corps, and DCMA, as well as the duties and training requirements of the CCOs and CCAS teams. It also explains requirements for contingency support plans within each organization. Lastly, it highlights current issues and initiatives facing DoD components. The primary purpose of this chapter is to provide the reader organization-unique information that will be used to conduct the comparative analysis in Chapter IV.

#### **B. AIR FORCE CONTINGENCY CONTRACTING**

##### **1. Regulations and Policy**

AFFARS, Appendix CC, titled Contingency Operational Contracting Support Program (COCSP), provides policy to ensure responsive contracting support for contingencies. Initially published in April 1994, it was last revised on 31 March 2000. The Air Force also published a contingency contracting handbook, *Contingency Contracting Guide*, in Spring 2000 to help Air Force CCOs understand the tools that are available to them. It provides information on contracting support available during contingencies. While not policy, it was developed through interviews of CCOs and is based on actual experience. [Ref. 16: p. 3]

## 2. Organizational Structure

The Deputy Assistant Secretary of the Air Force, Acquisition (SAF/AQC) has overall responsibility for Air Force contracting and its Operational Contracting section (SAF/AQCO) is responsible for contingency contracting, as well as other operational contracting issues. Air Force CCOs normally are enlisted members, paygrades E-4 or above, or company grade officers. There are 70 contracting squadrons and approximately 1,100 enlisted and 300 commissioned CCOs within the Air Force. [Ref. 17] Figure 1 illustrates how the contracting squadrons fit into the Air Force's overall organization.

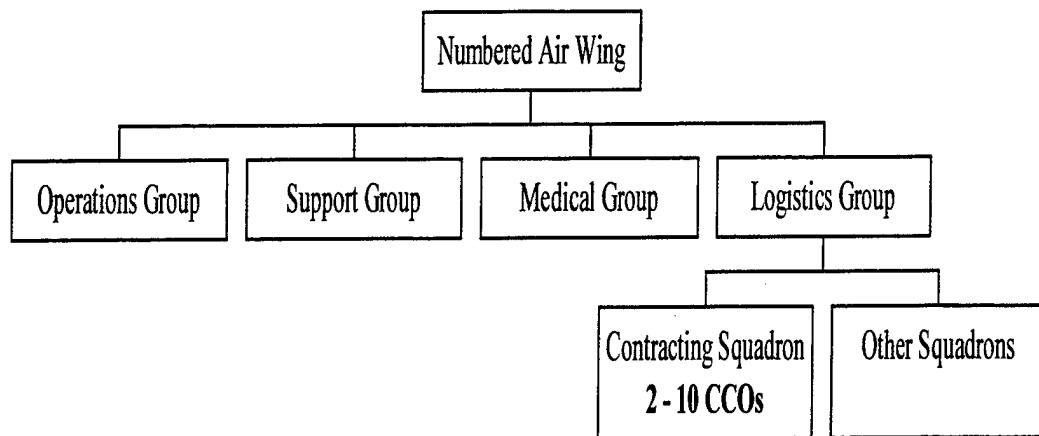


Figure 1. Air Force Organizational Structure. After Ref. [2].

Contracting squadron commanders are normally Majors or Lieutenant Colonels with unlimited warrants. Contracting commanders can also serve as CCOs. The Air Force has permanent contracting offices that fall under their assigned MAJCOM. The Air

Combat Command (ACC) maintains a regional contracting office in Saudi Arabia. Additionally, U.S. Air Force Europe (USAFE) has contracting offices throughout the region, including Spain, Norway, Turkey, Italy, Greece, Germany and Turkey. Pacific Air Force (PACAF) has offices in Guam, Thailand, Alaska, and Hawaii. [Ref. 2: p. 4-17]

The Air Force reorganized its organic units using a concept known as the Aerospace Expeditionary Force (EAF). The EAF is composed of ten Air Expeditionary Forces (AEFs) and two Aerospace Expeditionary Wings (AEWs) that include fighters, tactical aircraft and supporting forces. All Air Force combat squadrons and most combat support squadrons now comprise the AEFs, which are on call or deployed for 90 days at a time, every fifteen months. The AEFs give the Air Force the capability to respond to all types of contingencies while maintaining the morale of its declining force by balancing responsiveness with an equitable deployment schedule.

The Air Force's Chief of Contingency Contracting Policy, a SAF/AQCO position, maintains overall responsibility for tasking CCO for AEFs, other steady-state requirements and emergent requirements. SAF/AQCO sources CCOs from each Air Force major command (MAJCOM), and the subordinate contracting squadrons provide CCOs to support their assigned AEFs. A total of 170 CCOs support the steady-state requirements for the ten AEFs. Odd number AEFs, which support requirements in Europe, have thirteen deployable contracting positions and the even-numbered AEFs, which support requirements in Southwest Asia, have twenty-six contracting positions. [Ref. 17]



### **3. Contingency Contracting Support Plan**

Individual Air Force contracting squadrons and offices are responsible for developing Contingency Contracting Support Plans (CCSPs). Each contracting office and supporting organization monitors and coordinates current plans, which task the contracting organization for support. Separate contracting support plans must be developed for contingency contracting support for armed conflicts and other than armed conflicts.

In support plans for armed conflicts, contracting offices must provide appointment documentation for identifying all CCOs provided authority to meet contingency taskings and provisions for assigning Procurement Instrument Identification Numbers (PIINs) to CCOs. The support plan must give instructions for deployed CCOs to maintain records of all purchases in sufficient detail to allow accurate contracting reports to be prepared during the contingency or after it ends. The instructions must provide for maintenance of these records whether in manual or automated format and include back-up procedures.

The plan should document annual reviews of all OPLANS and include any specific contracting instructions and planning factors pertinent to the supported unit. It must describe procedures for the submission and validation of purchase requests. Additionally, it provides guidance to the CCO regarding the relationship between the gaining command and home station, CCO deployment kits, conducting annual OPLAN

reviews and kit inventories, and how to obtain funding for any emergency deployment. All identified funding issues must be resolved prior to deployment

The plan must include procedures for obtaining funding for emergency deployments, including procedures for prior identification of local currency required and proper denominations. It should also delineate tasks to ensure the proper communication with finance and support personnel such as the comptroller and disbursing or paying agents. CCOs should not be designated as disbursing or paying agents. It must also make provisions for performing site surveys and participating in exercises at deployment locations and direct that CCOs complete all required training. Plans for armed conflicts should also include assumptions on relaxed contracting requirements and direction on how to handle existing rules expeditiously where no authority is granted to relax such requirements.

CCSPs for operations other than armed conflicts are less demanding than those for armed conflicts. In support plans for these operations, contracting offices must identify appointed CCOs and provide a capability for users to contact contracting personnel on short notice. It must also provide instructions on where to relocate the contracting office in the event that the primary contracting facility is not usable and provisions for emergency communications with base officials, customers, and suppliers.

These plans must also address procedures for manual requisitioning of supplies, provisions for funding requests, and instructions for manual record keeping where use of

automated systems such as the Standard Procurement System (SPS) are interrupted. Plans must also include instructions for the use of unit deployment kits, current telephone listings for key base offices, local suppliers, and other base contracting offices and instructions for developing, maintaining, and using source lists for emergency supplies and services. The source lists should identify sources available for 24-hour response to emergency requirements, and a separate source list shall be maintained for emergency supplies and services outside a 50-mile radius of the installation's local market area. [Ref. 18: Sect. CC-301]

#### **4. Training Requirements for CCOs**

Air Force CCOs are required to receive training in support of the Air Force Contingency Operational Contracting Support Plan. Personnel assigned to duty requiring warrants limited to the SAT must be certified at Level I in the Acquisition Workforce Development Program (AWDP). Personnel assigned to duty requiring warrants exceeding the SAT must be certified at Level II. Experienced personnel without Level I or II certification may augment certified personnel if the assigned duties do not require certification. [Ref. 18: Sect. CC-203] Training required for CCOs includes initial base-level CCO training and CCO continuation training, tailored to the unit's area of responsibility. This training includes participation in regular exercises. CCOs must also complete Nuclear, Biological, and Chemical (NBC) warfare training, 9MM and M16 marksmanship training, and force protection training as required. [Ref. 18: Sect. CC-402] All contracting squadrons have a staff NCO who implements the unit's weekly training

program. The program is intended for inexperienced officers and NCOs and supplements formal education such as the Defense Acquisition University's Contracting 234 course (CON 234), Contingency Contracting.

The CON 234 course is designed to train members of DoD's acquisition workforce in the unique skills needed to provide direct contracting support to joint operational and tactical forces engaged in all types of contingencies, both domestic and overseas. The course is intended for contracting and purchasing career field non-commissioned officers, officers, and emergency essential civilians of all Services who are in deployable or potentially deployable positions and is taught at Fort Lee, Virginia and Port Hueneme, California. The Air Force's Air Mobility Education Center is currently establishing a week-long field contingency contracting training exercise to provide CCOs an opportunity to train in a field environment prior to actual contingencies. [Ref. 15]

## **5. Duties of CCOs**

Appendix CC of the AFFARS provides specific guidance of the tasks required of CCOs during contingencies. It separates these tasks among the four phases of a contingency; initial deployment, build-up, sustainment, and termination/redeployment. During the initial deployment, CCOs must obtain an interpreter, if necessary, and obtain adequate office space, transportation, and communications for the office, to include at least one Class A telephone with long distance Defense Switched Network (DSN) and off base access, at the earliest opportunity.

The CCO should contact the HCA designee, existing military installations within theater, or, the area U.S. Embassy or Consulate for information about Host Country Support Agreements or other arrangements. The CCO should then obtain maps of the area and conduct visits to learn availability of necessary supplies and services. The CCO is advised to secure telephone books of the local area, if available, mark maps, and prepare source lists. Maps and source lists should be updated as new information becomes available and source lists should be annotated to reflect which contractors will provide 24-hour emergency response.

It is crucial for the CCO to work with the deployed commander to establish good working relations with local officials and keep him/her informed of contracting matters. The CCO must also establish a system for customers to submit purchase requests for local requirements. This system must be adapted to local conditions and the CCO should provide training to customers to orient them to the purchasing system as soon as practicable. The CCO must appoint ordering officers within functional areas, as determined necessary, with CCO supervised purchasing authority up to the maximum order limit of the indefinite delivery/requirements contract or blanket purchase agreement. CCOs should train ordering officers in the use of simplified acquisition procedures and funds accountability. [Ref. 18: Sect. CC-502-1]

During the build-up phase of a contingency operation, the contracting office will be heavily involved in supporting the newly arrived forces. Additional contracting personnel will generally arrive with the assigned unit to augment the initial contracting

teams. Contracting members from home bases should replace those members located at the site to support initial bed down activities. During this phase CCOs must establish a responsive purchasing system as early as possible. The system must ensure requirements are requisitioned correctly and funds are available to pay for the contract purchases.

CCOs should also establish the proper purchasing methods during build-up. Invoice vouchers, cash, and Government credit cards are the primary means of purchasing over-the-counter supplies and services during the initial days of the build-up. Blanket Purchase Agreements (BPAs) should be issued to several suppliers offering items of the same type as soon as possible to expedite ordering. Individuals in functional areas should be appointed, trained, and authorized to place calls against pre-priced BPAs. Additionally, Government credit card procedures may be implemented to permit decentralized purchasing of small dollar items during extended contingencies. The CCO is also responsible for implementing procedures for Non-Appropriated Fund contracting during this phase.

CCOs should not be assigned as agents of the Accounting and Finance Office (AFO). This improves internal controls over the distribution of funds to the contractor, avoids a potential conflict of interest for the CCO and makes the CCO less susceptible to personal risk. The deployment commander must initiate any requests to waive this requirement and the HCA Designee must approve any waivers. CCOs must also make arrangements for armed escorts where significant amounts of cash are carried outside the military installation. [Ref. 18: Sect. CC-502-2]

Sustainment contracting provides contracting support from the completion of the build-up phase and through the duration of the contingency. At this phase, contingency contracting operations will focus on file documentation and cost reduction. CCOs should consolidate requirements whenever possible to achieve the economies of quantity buying. Longer-term contract arrangements will be established, such as indefinite quantity and requirements contracts as requirements are defined better.

CCOs will emphasize improving statements of work to avoid unnecessary costs and contracting with reliable sources at reasonable prices. They must look to establish agreements with other Services to share contract arrangements such as transportation, laundry, and procedures to acquire local purchase items that are not available in the AOR. CCOs should consider support from the unit's home base, contracting offices in the vicinity of the deployment, stateside locations that can receive, process, and forward these items to the deployment site; and Army Air Force Exchange Service (AAFES) or Navy Exchange Service (NES), if available at the contingency site. [Ref. 18: Sect. CC-502-3]

On being notified of contingency termination or redeployment, the CCO's priority becomes contract closeout. The CCO should quickly coordinate with contractors and user activities concerning the timing and procedures for return of all rental items. The CCO must determine which contracts require formal Termination for Convenience actions and initiate settlement processing procedures with those contractors. During termination of

base services, CCOs must immediately negotiate a reduction to and termination of all base support agreements to coincide with the unit redeployment schedule.

As unit assets are redeployed, interim replacement support may be required from the host base or contractor sources, if available. CCOs should be aware of sudden or rapid termination from the beginning of the operation and should tailor contracts to minimize formal termination requirements. CCOs must ensure that receiving reports and invoices for all purchases pending payment are processed. CCOs should also coordinate with the disbursing agent to ensure that final payments are processed and settle all contractor claims prior to his or her redeployment. [Ref. 18: Sect. CC-502-4]

There are also several reporting requirements for CCOs. They must report all contract actions and dollar amounts to the contracting activity that issued the PIINs used during the deployment and document all contracting actions in sufficient detail to provide an audit trail of the acquisition. Each participating CCO is also required to submit an electronic after-action report to the HCA designee unless waived by HCA. After-action reports shall specifically address numerous issues including potential sources of supply and availability, problems encountered, and special personnel requirements.

This must be done within thirty days and a courtesy copy must be provided to the assigned major command. These reports are consolidated and forwarded to SAF/AQCO. The consolidated MAJCOM reports should identify topics and events and point out new or different situations that impact existing policy and significant items dealing with the



interface between contracting and the customers on the deployment. CCOs, HCAs and major commands are encouraged to incorporate lessons learned into their initial and continuation training programs. [Ref. 18: Sect. CC-502-4]

## **6. Service Unique Issues**

### ***a. Top Dollar Competitions***

Top Dollar competitions are bi-annual training exercises for Air Force contracting and comptroller personnel. The competitions began in 1993 as realistic training for only the comptroller community but were changed to allow both communities to take place in 1995. The competition was changed to a bi-annual exercise after Top Dollar 1996. The Air Force MAJCOMs hold Top Dollar competitions involving two-person teams from each of their respective contracting squadrons. SAC/AQC then conducts an Air Force-wide Top Dollar competition for the MAJCOM winners.

The exercise occurs over two weeks and includes scenarios based on problems encountered during actual contingencies. Teams arrive at the contest site, usually a tent city, and are evaluated as they support the various requirements presented to them during the exercise. The participants continuously face scenarios as the competition seeks to re-create a wartime environment. The exercise includes other events to simulate actual contingency conditions such as mock NBC threat conditions, obstacle courses, and marksmanship training. [Ref. 17]

**b. AFCAP**

The Air Force Contract Augmentation Program (AFCAP) is a contractor support contract similar to the Army's LOGCAP contract. The major capabilities of the program include relief, augmentation and expansion of forces, natural disaster relief, and backfill of existing military operations during contingencies. AFCAP began in 1997 when the Air Force Civil Engineer Support Agency awarded the contract to Readiness Management Support (RMS), who leads a joint partnership between several firms including Lockheed Martin Logistic Management, Bechtel National, and Johnson Control World Services. The program has been used during Air Force operations in Guam, Albania, and Kosovo. The Air Force uses the program to provide needed services in unforeseen contingencies and it has proved to be useful in areas that the Service does not have the needed personnel or assets on-hand. [Ref. 17]

**C. ARMY CONTINGENCY CONTRACTING**

**1. Regulations and Policy**

The AFARS Manual Two, is the Army's principal regulation regarding contingency contracting. Originally published in 1994, it was last revised in February 1998. It provides guidance to implement the FAR, DFARS, and AFARS and is the Army CCO's information source during the planning and execution of contingencies and training exercises. The AFARS manual reinforces the generalizations presented in Chapter II and advises Army CCOs to rely on LOGCAP, Host Nation Support (HNS),

and regional contracting offices as much as possible during contingencies. [Ref. 19: pp.26-27] In addition to the exemptions provided by the FAR, the AFARS allows the exemptions listed in Figure 2. Army CCOs can also refer to additional references for guidance including FM 100-10-2, Contracting Support on the Battlefield, FM 100-21, Contractors Accompanying the Force, and Joint Publication 4-0, Doctrine for Logistic Support of Joint Operations.

Reference	Subject	Exceptions Allowed
37.104-90 and DFAR 237-104 (b)(i)(B)(2)	Personal Services	Pursuant to 5 U.S.C.3109, if advantageous to the national defense. Requires D&F.
1.602- 3(b)(3)	Ratifications	Can be delegated to others by the HCA.
1.603-1-90	Contracting Authority of Other Personnel	Imprest fund purchases IAW FAR/DFARS 13.4. Fuel, oil, and emergency repairs IAW AR 703-1. SF 44 and purchase card purchases IAW FAR 13.505 and AFARS 13.90 provided that the individual has been trained and has a written authorization.

Table 2. FAR Exceptions. From Ref. [5].

## 2. Organizational Structure

The Army maintains an established chain-of command for contracting. There is the Head of the Contracting Activity (HCA), the Principal Assistant Responsible for Contracting (PARC), Contracting Commander, and the Chief of the Contracting Office. The Assistant Secretary of the Army for Acquisition, Logistics, and Technology (ASA (ALT)) has overall responsibility for Army contracting and appoints the HCA, who

provides overall guidance to the respective contracting organizations. The PARC, appointed by the HCA is responsible for oversight and execution of the contracting support plan. The Contracting Commander controls the actual contracting commands while the Chief of the Contracting Office reports to the Commander and directs one or more contracting offices and their assigned CCOs.

This structure is applied at all levels of organization from the Secretary of the Army to commanders of base contracting offices. This hierarchy is implemented for major contingency operations but can be adjusted as needed during small operations.

The chain of command is designed to be flexible and can be supplemented or minimized as required. For example, if the operation is small, the HCA, the PARC, and the contracting Commander can be the same person. For larger operations, there can be multiple Contracting commanders who are responsible for multiple Chiefs of Contracting Offices. Each Chain of command depends on the size of the operation, the area of operation, and the specific needs of the forces deployed. [Ref. 19: p. 18]

The Army has CCOs located within its highest operational organization, the corps. Approximately 6-10 CCOs are attached to the staff of Army Corps Support Commands (COSCOMs). The senior CCO in the Corps, normally a Lieutenant Colonel, will be the chief of the corps' acquisition section. The chief is responsible for planning and executing contingency contracting for the corps, training subordinate CCOs and advising the COSCOM and corps commanders concerning the contingency contracting. [Ref. 7: p. 2] Two CCOs, usually a Major and a Captain, are assigned to provide contracting support for each division and are attached to each unit's Division Support

Command (DISCOM). Army CCOs can deploy with their assigned unit or can be tasked to support another unit by the command structure. Figure 2 illustrates the location of CCOs within the Army corps.

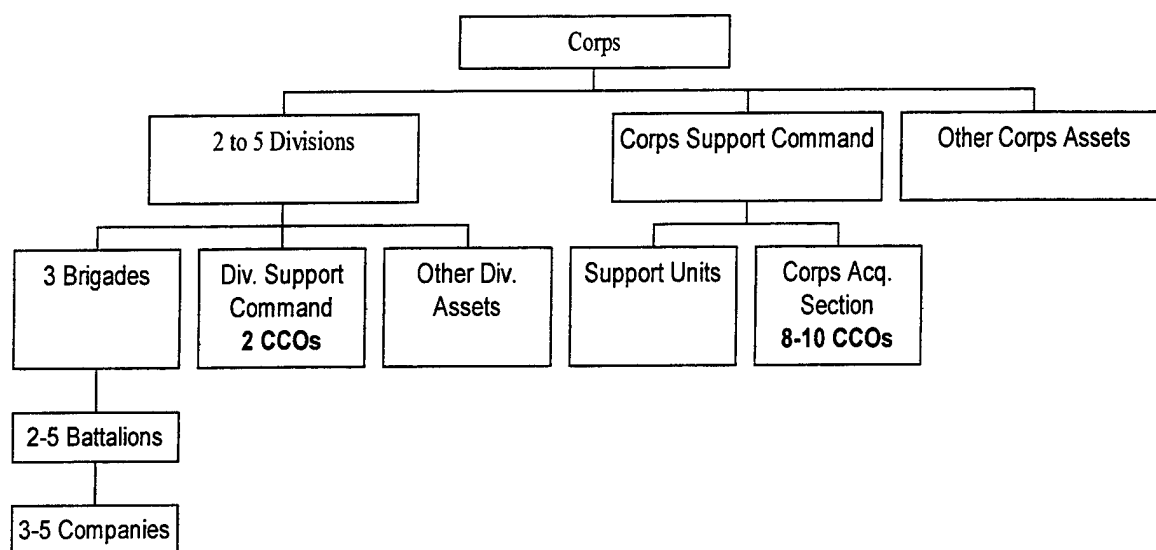


Figure 2. Army Organizational Structure. After Ref. [2].

The Army also has permanent contracting offices assigned to its regional MAJCOMs, which are designated as the executive agents for all joint contracting operations in their respective areas of responsibility. U.S. Army Contracting Command Europe provides contracting support to U.S. Army Europe and Europe Command. It is commanded by a Colonel and has several branch offices throughout Europe. U.S. Army Contracting Command, Korea is the executive agent for contracting operations in support of U.S. Forces, Korea and is located in Seoul, South Korea. It is also commanded by a Colonel and has both Army and Air Force regional contracting offices under its cognizance. The Army also has permanent contracting offices in Panama and Kuwait,

which support U.S. Army South America and the U.S. Army Support Group, Kuwait respectively and are commanded by Lieutenant Colonels. [Ref. 2: pp. 4:12 – 4:13]

### **3. Contingency Contracting Support Plan**

Army MAJCOMs are responsible for ensuring that subordinate contracting units have CCSPs in place. Army CCSPs provide contracting units twenty-four hour capability to respond during all types of contingencies and ensure that contracting plans and procedures are carried out. It also ensures that contracting capabilities and considerations receive the proper emphasis in logistics and overall planning. The CCSP is a required annex to the Army unit commanders' operation plan for any army exercise or operation.

The plan should address:

- a. Security and quality control aspects of contracting including inspection of goods received to protect against sabotage, poisoning, or other terrorist-style actions;
- b. Planning for contract requirements established by the unit supported under various contingencies;
- c. Designating, deploying, and augmenting contracting elements and finance units;
- d. Contracting procedures, authorities, and deviations during various contingencies;
- e. Developing, maintaining, and using contracting support kits tailored for as many deployment locations and situations as possible;
- f. Operating procedures and responsibilities of contracting officers, ordering officers, contracting officer representatives, finance and accounting officers, and requiring activities during various contingencies;

- g. Taking part in site surveys, exercises, and conducting contingency contracting training; and
- h. Ensuring that contracting and finance support are included in contingency OPLANS. [Ref. 20: p. 2]

#### **4. Training Requirements for CCOs**

Army CCOs are contracting officers that have been designated with Military Occupational Specialty (MOS) 51C, Contracting and Industrial Management Officer. They enter the Army Acquisition Corps at approximately the eighth year of service. The CCO receives formal training through the acquisition courses provided by DAU or at the Naval Postgraduate School (NPS). Upon completion of initial training, Army CCOs are assigned contracting support positions at the corps or division levels and are warranted in accordance with the Acquisition Workforce Development Program. [Ref. 21: p.1]

The only formal training for contingency operations received by Army CCOs is the CON 234 course. The Army emphasizes on-the-job training for its CCOs. Army CCOs are normally stationed at a base contracting office early in his or her career. There, the CCO works with the installation Directorate of Contracting. Almost all Army CCOs participate in a training exercise and actual deployment during this tour. [Ref. 22] This provides CCOs with experience conducting SAT purchases. While this is an excellent opportunity, it not without its shortcomings.

This on-the-job training with the Directorate of Contracting is an excellent method for the CCO to gain experience conducting simplified acquisition purchases. However, the OJT does not prepare the CCO for the cultural differences and emergency situations he/she may encounter in a foreign

country. Unfortunately, since the CCO is not working with the supported deployable unit, he/she loses touch with the organization's needs. [Ref. 19: p. 30]

## **5. Duties of CCOs**

The duties of Army CCOs are broken down into four headings; management, purchasing supplies, purchasing services, and contract administration. Contracting officers usually find themselves more involved in all types of procurements during a contingency than in a peacetime role. Army CCOs are reminded that maintaining standards of conduct and conflict of interest policies may prove to be more challenging during contingencies, particularly overseas and are urged to refer significant issues or questions which may arise to the appropriate legal advisor. Additionally, commanders should not assign CCOs duties that may violate conflict of interest such as verifying requirements, certifying funds, receiving, and paying for goods and services.

The primary task of a CCO as a manager is to establish an audit trail of all purchase requests and maintain the current status of the requests. CCOs should delegate appropriate tasks to supporting personnel such as Contracting Officer Representatives (CORs) and Ordering Officers and maintain communication with the supported commander and other personnel such as the comptroller. CCOs must also take advantage of information systems such as the Standard Procurement System (SPS) to facilitate the management of purchases and produce the actual purchasing documents.



CCOs have an expanded support role when purchasing supplies during contingency operations and should be prepared to contact vendors in person. Many of the transactions for supplies will be "cash and carry," which requires the CCO to receive and deliver items on behalf of the customer. These transactions should be conducted by the contracting officer and finance officer's representative or an ordering officer. While the CCO is responsible for the purchase, receipt, and delivery of supplies, the appropriate Finance Officer's Representative is responsible for making cash payments for purchases. The contracting officer may receive a number of purchase requests for items that are not available in the immediate area but may be available at a location serviced by another contracting office. If the office or local base has airlift capability to another military installation, the requirements should be referred to another contracting office. CCOs must document open referrals and take follow-up actions until items are received.

The CCO should have an idea of what was required during previous deployments. The required logistics and veterinarian support personnel must inspect all purchased subsistence items such as water, fresh fruits and vegetables, and bread. CCOs should include catalogs with pictures of possible requirements in contingency kits. This provides a means of showing contractors what is needed in the event of a language problem. The AFARS provides a comprehensive list of requirements from previous Army contingencies.

CCOs must understand that buying services and construction is usually more complicated than buying supplies, as it is much simpler to describe a product than to

describe a service or level of effort needed to fulfill a requirement. CCOs must ensure that a detailed statement of work (SOW) is prepared by the requiring activity. Boilerplate SOWs of basic requirements should be included in the contingency kit. CCOs can produce SOWs in both English and the host languages to ensure understanding by the contractor if possible. In repair contracts, the contracting officer should require a hand receipt when Government property is given to a contractor for repair services.

All service and construction contracts must be in writing and CCOs must provide a Price Negotiation Memorandum (PNM) to document the determination of a fair and reasonable price and all appropriate construction and service provisions must be included in the contract. Additionally, if supplies are being procured as a part of either type of contract, the applicable supply contract clauses must be inserted. The CCO should also establish a system for monitoring contractor performance and progress. A quality assurance process and surveillance plan should be prepared to define how quality will be assured and how the Government will oversee the provision of goods and services by the contractor.

Lastly, the CCO is responsible for contract administration and monitors the contract from award to closeout. Manual 2 emphasizes the use of Contracting Officer Representatives (CORs). CORs should be nominated by the requiring activity and appointed in writing by the contracting officer. CORs are limited to the authority stated in their letters of appointment and do not have the authority to change any contracts. Contracting officers must brief assigned CORs as to the scope of their responsibilities and

review the requirements of the contract to ensure the COR understands the requirements and standards.

## **6. Service Unique Issues**

### ***a. CCO Support for Rapid Deployment Forces***

The Army has implemented a method of deploying troops in small, mobile units called Rapid Deployment Forces (RDF). RDFs are responsive brigade-sized units that can respond to small contingencies with minimal external logistics support. This concept dictates the deployment of CCOs with the forces to provide needed support until larger forces with logistics capability deploy later in the operation. Currently, only two CCOs are assigned to support an entire division, which can provide up to three RDFs. Once established, RDFs have the requirement for two CCOs to deploy with the unit according to the current tables of organization and equipment. FORSCOM's contingency contracting division has determined the CORSCOM CCOs will deploy personnel to provide the needed contingency contracting support to the RDFs. [Ref. 22]

### ***b. Career Path for Army Contracting NCOs***

The Army does use NCOs during contingency operations but these individuals are not designated as contracting officers by MOS. NCOs involved in contracting are currently identified by the Additional Skill Identifier (ASI) G1. NCOs are only required to complete DAU's Contracting 101, Fundamentals of Contracting, Contracting 104, Fundamentals of Contract Pricing, and Contracting 234.. The Army's

Acquisition Management Office is currently developing a career path that would allow identified NCOs and warrant officers to be designated contingency contracting officers by MOS. The officer in charge of the project expects a career field to be in place by the end of 2002. [Ref. 22]

#### **D. MARINE CORPS CONTINGENCY CONTRACTING**

##### **1. Regulations and Policy**

Appendix B of the Marine Corps Purchasing Procedures Manual (MCO 4200.15G) is the sole consolidated source of information for Marine Corps CCOs. The regulation provides CCOs with a concept of the role of contracting in contingencies and training exercises. It details responsibilities of CCOs and limitations to their authority. It also emphasizes the importance of relationships between CCOs and key personnel such as the unit commander and finance personnel and summarizes the various methods of payment during contingencies. Commanders are reminded that they still have the overall responsibility of providing combat support and combat service support through legal means, but they are urged to use warranted contingency contracting personnel for the greatest flexibility when providing support. [Ref. 23: p. B-1]

##### **2. Organizational Structure**

The Assistant Branch Head for Policy and Oversight, Contracts Division (LBO), Installation and Logistics, HQMC has cognizance over Marine Corps contingency contracting policy and organization. Additionally, one of two contracting officers

assigned to LBO is designated as the USMC Contingency Contracting Officer. Two of the three Marine Expeditionary Forces (MEFs) have a billet for contingency contracting officer with the rank of Major. These individuals are mostly responsible for planning for MEF level deployments and joint operations. The Marine Corps maintains CCOs within Marine Forces South (MARFORSOUTH) and Marine Forces, Europe (MARFOREUR). These billets are filled by senior enlisted personnel and provide local contracting support to their respective headquarters and limited liaison with other Marine Corps units within their region. [Ref. 24: pp. 12-13]

Marine Corps CCOs command the contracting section of Force Service Support Groups (FSSGs), the combat service support element of the MEF. A Captain or Major with an unlimited warrant commands the section and approximately seven enlisted personnel, E-4 or higher, make up the staff. The three FSSG CCOs are located at Camp Lejeune, North Carolina, Camp Pendleton, California, and Camp Butler, Japan.

The FSSG CCOs support their respective MEFs, which include any Division, Wing and FSSG requirements, and provide one NCO or Staff NCO 3044 to accompany deploying Marine Expeditionary Units (MEUs). NCOs can serve as CCOs on deployments and are usually warranted to the SAT or higher. While CCOs are under the operational control of the assigned commander, they remain under the organizational control of the Assistant Branch Head for Policy and Oversight (LBO), Contracts Division. [Ref. 25] Figure 3 illustrates the placement of CCOs in the Marine Corps organizational structure.

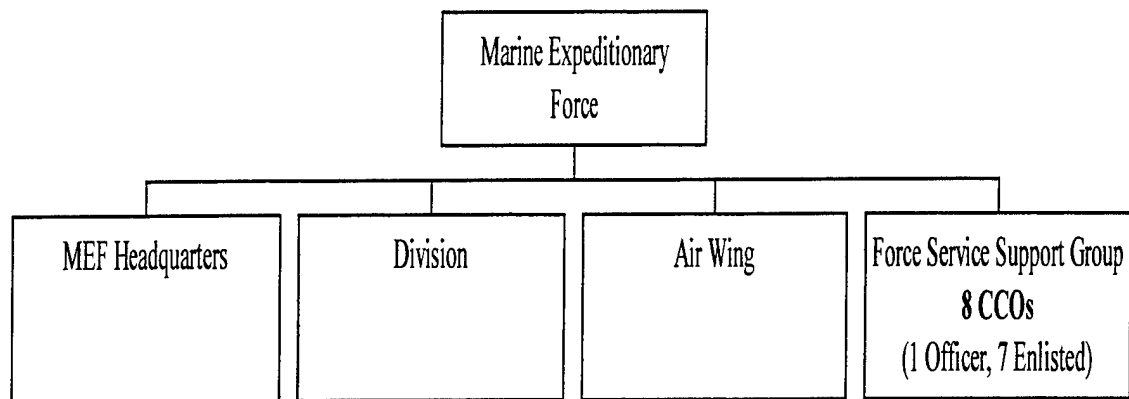


Figure 3. Marine Corps Organizational Structure. After Ref. [2].

### 3. Contingency Contracting Support Plan

There are no requirements in Appendix B of MCO 4200.15G for the development and execution of any type of contracting support plan for contingencies or training exercises within the Marine Corps. Deliberate contingency contracting planning does occur at both the MEF and FSSG levels. Section Six of Appendix B does briefly address preplanning:

There are many things a CCO can do and should do to prepare for a contingency contracting operation. Preparing in advance is important for one very basic reason; there will not be enough time to do these things once a contingency action gets underway. [Ref. 23: p. B-19]

The appendix also advises ensure several actions are considered or completed prior to deployment. CCOs should have authorization for variations, the ability to hire or rent special conveyance, and foreign flag carrier status in his or her TAD orders. The CCO should also be authorized to wear civilian clothes, as CCOs must maintain a low

profile while performing in foreign local communities. The CCO should also ensure that appointment orders, official passports with extra pictures, the appropriate driver's license are obtained and that the necessary administrative, medical and dental requirements are completed prior to deployment. [Ref. 23: p. B-19]

#### **4. Training Requirements for CCOs**

All Marine Corps CCO billets are filled by officers who have completed the Acquisition and Contract Management curriculum at NPS. These officers are designated with the 9656 MOS, Contracting Officer, immediately after graduation and are assigned to a CCO billet or billets at Regional Contracting Offices or LBO. Enlisted contracting personnel with the 3044 MOS are former 3042s, Supply Administration personnel, who have moved laterally into the contracting field. The primary method of training for 3044s is OJT. All 3044s have the opportunity to deploy on either training exercises such as Cobra Gold, MEU deployments, or actual contingencies. FSSG CCOs make every effort to ensure that inexperienced 3044s are deployed to shadow experienced 3044s during their initial deployment. [Ref. 25]

#### **5. Duties of CCOs**

Appendix B like the AFARS, lists the primary duties of CCOs as management, buying supplies, buying services, and contract administration. The principal management tasks outlined in the regulation are communication and establishing a system for the submission of requirements. Immediately upon arrival, CCOs must communicate with

key personnel, including the on-scene commander, the comptroller, disbursing officer, and any potential customers. This establishes a relationship between the CCO and his or her customers. CCOs also have authority to delegate imprest fund and SF 44 purchases to non-contracting personnel. The CCO must train the individuals, provide them with written authorization that outlines their authority and limitations. The CCO should supervise appointed individuals and periodically make spot checks to ensure they act within their authority. All administrative appointments should be done prior to deployments if the individuals have been identified.

CCOs duties when purchasing supplies during contingencies are more complicated than contracting during base operations or training exercises. A lack of reliable communications in a contingency may make it necessary for the CCO to travel to the vendor's location. The CCO should be prepared to conduct business in a cash and carry environment. CCOs and appointed representatives should count on being couriers for supported units at times during contingencies. If designated as paying agent by an accounting and finance officer, the CCO will also be responsible for making payments on supply purchases.

At times, CCOs satisfy requirements for items that are not available in the immediate area by referring the purchase requests to other contracting offices or installations. CCOs must remember other contracting offices will need an accurate item description, funding certification, and precise delivery information including a point of contact. The CCO should actively track open referrals so follow-up action can be initiated



if necessary An adequate audit trail is essential for all purchases since normal checks and balances do not exist during contingencies.

CCOs can expect additional responsibilities when purchasing services due to difficulties with actual objectives that comprise the needed services or level of effort. SOWs often have to be prepared in both English and the contractor's native language. A quality assurance evaluator (QAE) or COR may be required from the requesting activity or contracting team. CCOs should keep in mind that some relaxations, such as waivers for synopsis and formal advertising requirements, will exist during many contingencies.

In some cases, referrals will be the only way a CCO can find a vendor to repair broken equipment. The CCO should always obtain a receipt whenever Government property is given to a contractor for repair. CCOs should make every effort to ensure service and construction contracts must be in writing. This provides the required audit trail and describes what is expected of the contractor. CCOs should provide a memorandum of negotiation to show how a fair and reasonable price was determined for each requirement. The CCO must establish a system for checking contractor performance throughout the contingency.

CCOs will have to rely heavily on customers to ensure service and construction contractors are performing in accordance with the contract. Other duties and responsibilities will normally limit site visits. CCOs must ensure appointed representatives are trained concerning proper procedures for change orders. The COR

should be a representative of the contracting office, if possible. Additionally, the COR may not have time to follow normal procedures, such as stopping the contractor, sending the CCO a written request for change, and waiting for the CCO to negotiate an agreement. The urgency of the requirement in a contingency environment will probably demand giving a verbal authorization to the contractor. CCOs must document all actions as much as possible.

Most construction or service contracts will require progress payments. CCOs authorize final payments and must have progress reports from the respective contract monitor stating the contractor has performed satisfactorily and the percentage of work completed prior to payment. CCOs must document all payments. Some contractors may be unable to perform unless they get money to buy necessary supplies, equipment, and labor. CCOs should consider advance payment, but only as a last option. CCOs should attempt to accompany contractors when they purchase supplies and keep track of how much is spent on behalf of the Government. CCOs must use their best judgment and document all circumstances.

CCOs will have to terminate contracts for either default or convenience during contingencies. CCOs should terminate for default if contractors fail to perform according to the contract, but circumstances will usually not allow CCOs to follow usual procedures, including cure notices, show cause letters, and contracting officers' final determinations. Terminations for convenience may be very common for ongoing service contracts, especially when the contingency suddenly ends and personnel redeploy. CCOs

should include appropriate clauses in all contracts and give contractors as much advance warning as possible. CCOs should then write supplemental agreements that detail the revised contract period and final settlement. CCOs should never deploy without closing out all contracts or delegating this responsibility to authorized contracting personnel.

## **6. Service Unique Issues**

The most significant recent event concerning contingency contracting within the Marine Corps is the establishment of the USMC Contingency Contracting Working Group (CCWG). The working group, composed of actual MEF and FSSG CCOs, conducted a thorough review of the Marine Corps' present contingency contracting support structure and published a report in December 1999 identifying deficiencies within it. Deficiencies included a lack of an updated policy document, a lack of guidance from LBO, and fragmented support, which included inadequate funding for equipment, training, and joint contingency contracting conferences.

The CCWG formally presented their report to the Assistant Branch Head for Policy and Oversight, Contracts Division and other key personnel at the Marine Corps Annual Contracting Conference in May 2000. The group made several recommendations, which are listed below:

- a. Develop a new Marine Corps Order for contingency contracting.
- b. Develop a formal training program for contingency contracting personnel.
- c. Develop a Marine Corps Ordering Officer program.

- d. Realign the Marine Corps' contingency contracting structure to provide more support at Marine Corps MAJCOM.
- e. Provide adequate equipment for contingency contracting units.
- f. Develop a Marine Corps contracting web page with specific contingency contracting links. [Ref. 24]

Contracts Division has implemented several of the recommendations since the conference. The office has launched its knowledge management website, which contains links for contingency contracting, and a system for capturing lessons learned. The organization has also devoted funding for contingency contracting units through the POM process. This funding will be devoted to additional deployment kits with equipment new software and cellular phones, and provide CCOs funding to attend joint conferences conducted by the other Services. [Ref. 25]

## **E. DCMA CONTINGENCY CONTRACTING**

### **1. Regulations and Policy**

DCMA can provide response contract administration support for logistics support contracts during contingencies, once the responsibility is delegated to the agency by the Procuring Contracting Officer (PCO). Chapter Eleven, Section Five of DCMA's One Book, titled *Contingency Contract Administration Services*, is the principal regulation concerning contingency contracting within the agency. It provides guidance on the assignment of DCMA personnel to contingencies, identifies the proper reporting channels and describes other administrative policies. It spells out specific tasks to the DCMA

International, East, and West districts and their subordinate offices regarding planning and the provision of personnel for contingency operations. In the chapter, DCMA explains its role in contingencies:

It has become common practice to use civilian contractors to provide base support services during contingencies. Administering these contracts normally requires more resources than most contract administration offices (CAOs) have available within their normal staff. DCMA has developed deployable teams, which can augment CAO staffs in administering contracts during such crises. The deployable teams allow DCMA to provide the full range of CAS services to our customers without disrupting the normal workflow of the CAO. [Ref. 26]

## **2. Organizational Structure**

DCMA support requests for contract administration support during various contingencies. The Commander, DCMA-International, is the agency's executive agent for Contingency Contracting Administration Support (CCAS) for contingencies outside of the continental United States, but the mission and responsibility are shared by all commands throughout the agency. DCMA-International maintains six regional theater CAOs, which coincide with the CINCs; Defense Contract Management-Pacific (DCMPAC), Defense Contract Management-Middle East (DCMME), Defense Contract Management-Southern Europe (DCMSE), Defense Contract Management-Northern Europe (DCMNE), and Defense Contract Management-Americas (DCM-Americas).

The theater CAOs provide Initial Response Teams (IRTs) from their headquarters and subordinate office staffs within 48 hours of the agency being delegated to provide contract administration support. Two through eight personnel, usually ACOs, price

analysts, and quality assurance representatives can deploy within the IRTs, depending on the scope of work. They provide Contingency Contract Administration Services (CCAS) for approximately 30 days, until follow-on the deployable CCAS teams can arrive in theater to relief them.

DCMA-International's Contingency Contract Management Services (CCMS) Section determines DCAT configuration. CCAS managers from DCMA East and West provide names of personnel from their subordinate activities designated to compose the necessary CCAS teams. These personnel will deploy to augment pre-assigned theater CAOs in the case of emergent contingencies, and both districts alternate taskings for steady-state requirements such as the teams that deploy to Bosnia and Kosovo.

The CMSS Program Manager has overall responsibility for the processing, training, and deployment of the teams to actual contingencies. CCAS teams can vary in size from eight to twenty-four military and civilian personnel depending on the size of the operation. Table 3 provides billets for a core team. The teams are attached to the theater CAO for the length of the contingency and fall under the operational control of DCMA-International until the return to their home office. [Ref. 15]

### **3. Contingency Contracting Support Plan**

All levels of DCMA staff are responsible for specific planning tasks. DCMA-International exercises command and control and is responsible for planning and the success of the mission. DCMA-International is also required to continuously monitor

requirements using standard risk assessment techniques in order to determine the amount of resources required to produce an acceptable level of risk. DCMA-East and DCMA-West are responsible for CCAS crisis action or mission planning within the continental United States, in accordance with existing contract management policies, and execution of the respective plans in case of a contingency.

<b>Duty Position</b>	<b>Minimum Grade</b>	<b>Number Required</b>
Commander	O-5	1
Deputy Commander	O-4	1
ACO	O-3 Through O-4	1
Contract Administrator	O-2 Through O-4	1
Quality Assurance Representative	E-6 Through E-8	5
Property	O-3 Through O-4	2
Cost Pricer	O-2 Through O-4	1
Administration Support	E-6 Through E-8	3

Table 3. DCMA CCAS Team Core Billets. After Ref. [26].

The CCMS section have responsibility for deliberate and crisis planning regarding contingency contracting administration support. Theater CAOs are responsible for ensuring DCMA is involved in CINC-level planning. They must maintain a partnering relationship with the CINCs to plan and execute CCAS plans. Additionally, they must

liaison with the CINCs' staffs to ensure that DCMA participates in appropriate military training exercises. CAOs must coordinate participation with CINC exercises with the Commander, DCMA. [Ref. 26]

#### **4. Training Requirements for CCOs**

All DCMA CCAS team members serve in various offices throughout the agency prior to deploying to contingency operation. All personnel within DCMA's acquisition workforce are required to be DAWIA qualified at a level commensurate with their job positions. Commanders and ACOs must be Level II certified and meet minimum rank requirements. All DCMA theater CAO personnel receive periodic training for contingency operations in their designated region.

DCMA conducts several training evolutions specifically for CCAS teams once the team members have been identified. Teams participate in Basic Combat Operations Training (BCOT), which includes weapons familiarization, first aid, and force protection training, at Los Alamitos Reserve Base, California, or Fort McCoy, Wisconsin. Teams also participate in Outward Bound team-building exercises and various administrative classes and forums that vary from will preparation briefs to presentations for spouses of deploying team members. [Ref. 15]

#### **5. Duties of CCOs**

The CCAS team commander is responsible for overseeing the support provided by the team. The commander, ACOs, and property administrators require warrants to



execute their duties. ACOs have authority for all logistical support services under delegated logistics support contracts, such as LOGCAP, CONCAP, AFCAP, and the Balkans Sustainment Contract. Other team members perform the duties in accordance to their billet positions and tasks as directed by the team commander. The team commander has several reporting responsibilities while deployed. He or she must provide weekly situation reports to the theater CAO Commander, DCMA-International Commander, and HQ DCMA.

The situation reports must contain personnel status, significant activities conducted since last reporting period, significant planned activities for the next reporting period, and team commander remarks. Additional reports may be required at the discretion of the chain of command, including the CCAS team Commander. Team commanders are required to submit written After-Action Reports in either electronic or manual format, to the DCMA-International Commander, immediately after the deployment, along with the performance reports and awards for personnel.

## **6. Agency Unique Issues**

### ***a. Re-write of DLA regulations***

DCMA became an independent defense agency in April without official regulations since it is no longer governed by Defense Logistics Agency (DLA) regulations. The agency is currently rewriting all applicable regulations to reflect the change. Many CINC and MAJCOM level operation plans include DLA as the principal

logistics support planner and are currently being updated to include DCMA. DCMA-International's CCMS section has implemented the tenets of acquisition reform where possible in the program, especially paperless contracting. This places an additional burden on DCMA CCMS staff as they begin to convert many logistics plans and other documentation to compact disc and electronic forms.

***b. Modification of Basic Combat Operations Training***

DCMA personnel deploying in support of operations in Southeast Europe have been processed through the Joint Preparation Onward Movement (JPOM) Office at Fort Benning, Georgia, prior to deployment. JPOM processing allows the personnel to receive any needed medical and dental exams, marksmanship training, and additional uniform items for the region of the deployment. It also provides detailed briefing on the theater of operations. JPOM's processing and briefings provides a valuable service for Service members deploying overseas, but it provides little value to DCMA personnel, whom complete most of the required tasks prior to reporting to Fort Benning.

Future CCAS teams will no longer utilize JPOM. DCMA is currently revising BCOT, which occur at Fort McCoy, Wisconsin for CCAS teams deploying from DCMA East and West. Teams will deploy to the theater of operations upon completion of BCOT. This evolution provides more individualized training and reduces the redundancy in pre-deployment training such as weapons qualification and NBC training that occurred at Fort Benning. Theater briefings will provide more recent and detailed information

concerning the area of deployment than previously received at JPOM. Additionally, DCMA has established a Memorandum of Understanding with USAFE by which the Air Force command will provide DCMA personnel with deuce gear after arrival in Europe to avoid costly excess baggage fees from commercial carriers. [Ref. 15]

## **F. SUMMARY**

The Air Force, Army, and Marine Corps face the task of participating in an increasing number of contingency operations with a decreasing work force. They have realized the importance of capable and efficient CCOs in accomplishing the mission with a reduced footprint. The Services, to various extents, have established CCOs within their units, established regulations regarding contingency contracting, and developed support plans and training programs to ensure contracting personnel deploy with the needed abilities, experience, and equipment. DCMA has developed a responsive contract administration support structure to provide DoD components timely support as they rely heavily on contractor logistics support during contingency operations. This chapter described these issues in some detail. Chapter IV compares and contrasts the various aspects of each component's organization presented in this chapter.

## **IV. COMPARATIVE ANALYSIS**

### **A. INTRODUCTION**

This chapter analyzes the current contingency contracting establishments of the Air Force, Army, Marine Corps, and DCMA. The analysis describes similarities and differences in the specific aspects presented in Chapter III; the regulations, organizational structure, contingency contracting support plans, training requirements for CCOs, duties of CCOs, and unique organizational issues. The analysis also identifies the aspects that individual or multiple components have dealt with efficiently and recommends ways that other components could implement the ideas. The reader is reminded that DCMA CCAS teams only provide contract administration support, once delegated, during contingencies. This makes comparison with the Services difficult in some situations, but the chapter does provide analysis and recommendations where appropriate.

### **B. REGULATIONS AND POLICIES**

All DoD components discussed in this thesis have regulations in place regarding contingency contracting. In most cases, the regulations are presented as FAR supplements or as an appendix to a Service logistics manual. While presented in different manners, each provides CCOs with general guidance concerning planning for and providing contracting support to requiring units during contingencies or training exercises.

The major difference involving contingency contracting regulations is the frequency of revisions to reflect overall acquisition policy changes. The aforementioned

regulations were originally published within two years of Operation Desert Storm but prior to significant changes in acquisition such the Federal Acquisition Streamlining Act of 1994 and Clinger-Cohen Act of 1996. The Air Force has revised its regulation, AFFARS Appendix CC, several times and the current version is less than a year old. Despite frequent updates, the regulation does not reflect how the Service has evolved its contingency contracting force to support the AEF concept. The Air Force's Contingency Contracting Guide, however, does address the issue and provides detailed information on how its contracting force fits into the overall concept.

The Army last revised its regulation, AFAR Manual Two, in 1998. While it does reflect significant changes in acquisition such as the increase in the SAT, it leaves the Service open to the same criticism applied to the Air Force's supplement. It also fails to address changes within the Army's structure to support its deployable brigades. Both the Air Force and Army have developed responsive contingency contracting organizations and should now modify their principal contingency contracting regulations to reflect the changes.

The Marine Corps regulation, the Marine Corps Purchasing Procedures Manual Appendix B, was written in 1994 and has not been updated since its original release. Many CCOs have openly criticized it as outdated and the Marine Corps Contingency Contracting Working Group described the situation as a major deficiency in its report to Contracts Division. The Policy and Oversight Branch of Contracts Division provided the researcher a draft of an updated supplement, which includes several significant

deficiencies present in the original regulation. A lack of a legitimate regulation potentially leaves CCOs with no clear direction in an environment where it is desperately needed. The Contracts Division must provide Marine Corps CCOs this direction in the form of a valid, current regulation.

This observation does not apply to DCMA due to its unique mission in contingencies and its status as a component of the Defense Logistics Agency prior to March 2000. While contingency operations are different from the environment at military bases and other Government installations, tasks assigned to DCMA personnel during contingencies do not differ significantly from their normal responsibilities. These responsibilities are described in numerous organizational regulations. The reader is reminded that the organization is currently updating all regulations, including those applicable to contract administration during contingencies.

### **C. ORGANIZATIONAL STRUCTURES**

All Services have CCOs at various levels within their operational units. The Air Force has contracting officers placed in established contracting squadrons that perform normal installation contracting functions and deploy as CCOs when tasked in support of a pre-designated EAF or in response to an emergent contingency. Army CCOs are placed in various positions within the CORSCOM and DISCOM levels and also perform installation contracting functions unless participating in contingency training exercises, scheduled operations, or supporting Army deployable brigades during an actual

contingency Marine Corps CCOs provide contracting support to operating units and deploying MEFs. They normally do not perform tasks in support of normal base contracting operations unless specifically tasked. Marine Corps base contracting offices and regional contracting offices are not considered part of the Service's contingency contracting structure.

All Services and DCMA have senior officers or civilian contracting personnel who oversee contingency contracting in their respective Service headquarters-level acquisition offices. SAF/ACQO's Chief of Contingency Contracting billet is field grade officer, currently a Major, and is solely responsible for all contingency contracting issues within the Service. The Army does have contingency contracting representation in ASA (ALT) and maintains a field grade officer within Army Forces Command (FORSCOM). This officer, a Lieutenant Colonel, is dedicated to developing policy and addressing issues concerning contingency contracting within FORSCOM, the Army MAJCOM with overall cognizance over all Army COSCOMs and DISCOMs. Additionally, the Air Force and Army have individual CCOs or contingency contracting staffs at all MAJCOMs and CINC-level contracting offices. DCMA-International's Contingency Contracting Management Services section has overall responsibility for deploying and processing CCAS teams. An Army Lieutenant Colonel who is assisted by an Army Major and an Air Force Captain currently commands the office.

The Marine Corps has both a civilian and senior officer within Contract Division's Policy and Oversight Branch whom are responsible for contingency

contracting within the Service. However, contingency contracting is not the singular duty of either person as it is for senior contingency contracting officials within the other DoD components. This situation hinders the Marine Corps' ability to provide subordinate CCOs needed support and timely policy. Their representatives within the Policy and Oversight Branch must focus on several issues in addition to contingency contracting. The Marine Corps does have Majors exclusively serving as CCOs within I and II MEFs but the Service does not have a billet for a CCO within III MEF in Okinawa, Japan. Additionally, the Marine Corps maintains CINC-level billets at MARFORSOUTH and MARFOREUR, but Staff NCOs fill these positions. Some form of dedicated, uniform representation should be developed to ensure contingency contracting issues are solved prior to actual contingencies.

All Services use both officers and enlisted personnel to various extents during contingency operations. The Air Force uses enlisted personnel, who make up approximately 79 percent of its CCOs, much more than the other Services. This allows the Service greater flexibility and ensures that CCOs with higher-level certifications are not used during smaller contingencies. The Air Force specifies the type of personnel, officer or enlisted, and the level of certification needed for each operation through Unit Type Codes (UTCs). The Marine Corps has demonstrated some flexibility as it only tasks NCOs or Staff NCOs to support deployed MEU requirements. The Army has realized the benefits of enlisted CCOs and ASA (ALT) is currently developing a career track for enlisted personnel.



The Services also differ in the continued use of CCOs. Both Air Force and Army officers and enlisted personnel, once accessed into their Service's acquisition corps, serve in the contracting field for the duration of the careers. Marine enlisted contracting personnel also continue to serve in contracting billets. Marine Corps officers serve in an initial contracting billet after graduation from the Naval Postgraduate School, and individuals serving as CCOs have only one tour in the field. Upon completion of this tour, these officers all return to their original MOS or various command billets. The Service has also noted this deficiency and is currently studying the feasibility of having its CCOs serve additional contracting tours.

CCOs and supporting contracting personnel normally deploy from the same contracting office for Air Force, Army, and Marine Corps contingency operations, but it is possible that individuals from different offices can be tasked to support contingencies when multiple CCOs are required for the operation. This does not occur frequently and is usually the case in emergent contingencies. DCMA is a consistent exception. DCMA personnel that make up CCAS teams can come from the same office but are normally pulled from various CAOs within the assigned district, either DCMA West or East.

This puts a greater burden on the team commander once the team is assembled to ensure personnel are properly trained and they function as a team. The DCMA East and West CCMS managers could ease this burden by tasking personnel from the same subordinate CAO to fill CCAS team requirements. This may not be feasible when tasking senior requirements such as the team commander and ACOs but junior personnel such as

contract pricing specialists or quality assurance representatives may be provided from the same office as the senior billets with little on effect on the capabilities of the tasked CAO.

#### **D. CONTINGENCY CONTRACTING SUPPORT PLANS**

Contingency Contracting Support Plans ensure that contracting personnel and unit commanders identify the proper resources and meet essential training requirements prior to contingencies and provide these items during actual operations. CCSPs also provide CCOs with a list of specific issues such as Host Nation Agreements and contracting instruments to consider prior to and during the actual deployment. These plans are an integral part of a successful deployment and should be an obvious consideration during deliberate planning sessions within all levels of the Services and DCMA.

The Air Force and Army provide in-depth instructions concerning contracting office or command, MAJCOM, and higher-level responsibilities for contingency contracting support planning within their respective regulations. While DCMA's One Book does not provide a detailed discussion of planning considerations, it clearly describes the contingency planning requirements for all commands within the agency. The Marine Corps does not officially address contracting support planning in its contingency contracting regulation and only emphasizes general pre-deployment planning to its CCOs.

As stated in Chapter III, the Marine Corps does conduct deliberate contingency contracting plan at the MEF level and these plans become annexes to higher-level

logistics plans. This oversight concerning the lack of written requirements for CCSPs within the Marine Corps' organization can be attributed to the lack of a devoted representative at Contracts Division and the lack of uniform presence of USMC CCOs at CINC and MEF levels. While individual CCOs can and should provide the contracting office's perspective and input to needed plans, the responsibility of creating CCSPs and ensuring their inclusion in operation plans must be given to headquarters-level personnel and clearly expressed in the appropriate regulations.

#### **E. TRAINING REQUIREMENTS FOR CCOS**

All DoD components have realized the need for properly trained CCOs during contingencies. All Services require that CCOs and other contingency contracting personnel attend CON 234 or other contracting courses prior to deployment. All CCOs must demonstrate proof of completion of the requisite courses and other Acquisition Workforce Development Program requirements when requesting warrants. While most officers attend military or civilian graduate programs or DAU courses, OJT is the main method of training NCOs and others that are not provided the opportunity to attend formal schools. Although most contracting offices or squadrons within the Services have established training plans for inexperienced enlisted and commissioned personnel they must continue to provide these personnel every opportunity to attend formal contracting courses.

DCMA and the Air Force emphasize and provide intensive general military training such as marksmanship and troop protection classes to deploying personnel during contingencies. These issues are not addressed in Army or Marine Corps contingency contracting regulations, and it should not be assumed that these Services neglect the importance of preparing CCOs for this aspect of contingencies. Both Services require annual certification in these areas for all personnel, regardless of MOS.

While pre-deployment military training would be redundant for many Army, Air Force, and Marine Corps contracting personnel, all Services could utilize other training provided to DCMA personnel during Basic Combat Orientation Training. Several individual contracting squadrons and other units within the Services do provide their CCOs with these functions prior to deployment, but the Services would benefit more by implementing instruction such as the types provided during BCOT throughout their entire contingency contracting force. Currently all Service members process through JPOM prior to deploying. Individualized training and processing at the Service level could reduce the redundancy that has caused DCMA to process its personnel separately and provide the services in a more efficient and productive training program

#### **F. DUTIES OF CCOs**

The Air Force, Army, and Marine Corps adequately spell out the duties of their CCOs in their respective contingency contracting regulations. All Service regulations emphasize the CCO's role as a communicator and manager. The Services encourage

CCOs to establish and maintain communication with supported unit commanders, vendors, and CCOs from other Services throughout the contingency operation. The Services also task CCOs to ensure that subordinate personnel are properly trained and are aware of the scope of their responsibilities. All Services emphasize the need for documentation throughout operations and recognize the increased possibility of terminations for cause or default in contingency environments. Additionally, all Services provide proactive and reactive guidance for CCOs during the entire contracting process during contingencies.

The Air Force regulation separates its CCOs' duties by individual phases of a contingency operation. The Army and Marine Corps regulations make no such distinction. The Army and Marine Corps make distinctions between contracting for supplies and services and their regulations explain the additional requirements when contracting for services. The requirements include increased documentation, contract administration and training of personnel such as CORs and quality assurance representatives. The Air Force's delineation of tasks seems to be clearer when compared to the other Services and presents the phases as they are taught to all DoD personnel in the CON 234 course. CON 234 is required for all Air Force, Army, and Marine Corps CCOs prior to deployment. The Army and Marine should reorganize the appropriate sections of future revisions of their contingency contracting regulations in order to present more uniform instruction and reinforce the information provided at the DAU course.

DCMA job-specific requirements are not addressed at length in its regulations for good reason. Unlike the Services discussed in this thesis, the agency's personnel perform the same tasks during as they do when attached with their normal CAOs. The sole exception to this appears to be the additional responsibility of the Award Fee Evaluation Board. DCMA's Contingency Contract Management Support section has proven to be flexible in response to concerns addressed in several after-action reports and ensures that team commanders and lead ACOs observe an evaluation board prior to conducting an AFEB for the first time.

The submission of situation and after-action reports is the principal method of identifying problems during contingency operations and addressing lessons learned upon completion of deployments. The expeditious redress of significant problems has allowed DoD components to allow follow-on CCOs or CCAS teams to implement suggestions provided by their predecessors and avoid experiencing similar mistakes or other problems. Currently, only the Air Force, Army, and DCMA mandate the submission of these reports, as a duty required of their CCOs. Those components also maintain systems to collect lessons learned.

The Marine Corps does not expressly require the submission of after-action reports after contingency operations. The Service has recently established a web-based knowledge management system that has the ability to capture lessons learned, but the Policy and Oversight Branch of Contracts Division should update its respective regulation to require the submission of after-action reports immediately after Marine

Corps or joint deployments in support of contingencies. The respective MEFs and FSSGs should also capture after-action reports from CCOs who deploy in support of the MEUs.

#### **G. SERVICE/AGENCY UNIQUE ISSUES**

All Service and DCMA unique issues presented in Chapter III reinforced the overall theme of change within the components, their respective acquisition offices, and various contingency contracting commands. The Air Force has introduced practical field training for CCOs and other contingency contracting personnel through Top Dollar exercises. The other Services should look to implement similar scenario-based field training at the individual units or hold MAJCOM or Service-wide contingency contracting training for their subordinate contracting units. The Army and Air Force have gone through major reorganizations in overall force structure by developing the Air Expeditionary Force and Rapid Deployment Force concepts and subsequently reorganized their contingency contracting forces in order to provide responsive contingency contracting support. In the near future, the Army will begin to use more NCOs as CCOs to provide newly organized combat brigades contingency contracting support as directed by Service tables of organization.

DCMA has become an independent defense agency and has tailored the training and deployment of CCAS teams. The revision of BCOT saves the agency money and eliminates numerous days wasted in redundant training. The individual issue with the most widespread implications for its Service is the Marine Corps Contingency

Contracting Working Group. This collection of CCOs conducted a comprehensive review of the Service's contingency contracting structure and listed many deficiencies, as described in Chapter III. Several corrective actions have been taken place, but the organization has not implemented any major reorganization. The Marine Corps remains the only Service without dedicated higher-level policymaker within its Service acquisition office. Time will determine the effectiveness of its contingency contracting workforce without such representation.

## **H. SUMMARY**

This chapter analyzed the similarities and difference in the contingency contracting structures of the Air Force, Army, Marine Corps, and DCMA. All components have adequate structures in place for contingency contracting. The Army and Air Force must continue to ensure contracting regulations reflect their current force structure. Marine Corps contracting personnel must now address items such as Service-level representation, regulations, and support planning that the Service has neglected for years. This chapter suggested areas that could be modified to ensure the Services and DCMA continue to provide responsive, properly trained CCOs and CCAS teams during contingencies. Chapter V will provide conclusions and recommendations based on the analysis.



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## **V. CONCLUSIONS AND RECOMMENDATIONS**

### **A. INTRODUCTION**

The purpose of this thesis was to describe how the Air Force, Army, Marine Corps, and Defense Contract Management Agency organize for and conduct contingency contracting operations. This chapter provides the reader with conclusions regarding contingency contracting within DoD based on the research presented in the earlier chapters. It then makes recommendations how the DoD components could change their current organizations to provide contingency contracting support more responsively. The chapter ends with recommended areas within the field of contingency contracting for further research.

### **B. CONCLUSIONS**

The analysis in Chapter IV identified and discussed several weaknesses within the overall contingency contracting structure of the Services and DCMA. Conclusions summarizing major deficiencies within the DoD components are listed below.

#### **1. Lack of Realistic Joint Contingency Contracting Training**

The Air Force has conducted its Top Dollar training exercises for contracting and financial management personnel since 1995. The 2000 Top Dollar will be the fourth such exercise since contracting personnel were included in the events. Additionally, the Air

Force acquisition policy office, SAF/AQC, has demonstrated the capability to conduct both MAJCOM level and Service-wide training exercises.

The Army and Marine Corps have not established any type of training exercises specifically for CCOs or other contracting support personnel. The failure of these Services to provide this type of training has prevented their CCOs from gaining valuable experience in a field environment prior to deploying to an actual contingency. The Army has substantial contingency contracting representation within its acquisition office and MAJCOMs. The Army is capable of conducting training equivalent to Top Dollar exercises within its organization at various MAJCOMs and CINC-level contracting offices.

The Marine Corps is not organized through MAJCOMS, but maintains three MEFs, large tasked-organized deployable forces. Currently, only two of the three MEFs maintain CCOs within their command structure. The Marine Corps could not implement such training at the MEF-level until uniform representation exists, but the Service has the capability to establish the scenario-based training at the FSSG level for its respective contingency contracting personnel.

## **2. Lack of Dedicated Contingency Contracting Representative within the Marine Corps**

The research demonstrated that the Marine Corps remains the only DoD component studied in this thesis without a dedicated representative, officer or civilian, within its Service headquarters acquisition office. This situation has resulted in or

prevented the timely correction of the other deficiencies within the Marine Corps' contingency contracting structure presented in Chapter IV. These deficiencies include an outdated regulation, no requirements for CCSPs or submission of contingency contracting after-action reports, and a failure to retain the experience of CCOs through additional utilization tours. While the Policy and Oversight Division has acknowledged the problems within the current structure, no corrective actions have been taken.

### **3. Lack of Individualized Pre-deployment Training within the Services**

All Air Force, Army, Marine Corps and DCMA contingency contracting personnel process through the Joint Preparation Onward Movement (JPOM) Office at Fort Benning, Georgia, prior to deployment. JPOM provides deploying personnel with medical and dental processing, general military skills training, and specific briefings regarding the area of deployment. Many personnel have satisfied these requirements to various extents prior to JPOM. Despite the redundant training, all Service CCOs are still required to process through JPOM. The Services have the capability to ensure this training is provided to CCOs before they detach from their parent commands, but only DCMA has modified its training requirements to utilize its capability.

DCMA personnel deploying as CCAS teams will complete all processing during the agency's orientation training and no longer process through JPOM. DoD military Services have modified their organizational structure or deployment schedules to responsively accomplish their respective missions, while ensuring personnel have a high quality of life and deployment time is minimized. Service-wide pre-deployment training

further reduces the days Service members are deployed and ensures they receive only needed processing, training and briefings prior to their deployment.

### **C. RECOMMENDATIONS**

As the Department of Defense components undergo constant change due to new threats, technologies, political policies, and military issues such as retention and a shrinking workforce, they must adapt all subordinate units and organizations to ensure personnel have the training and equipment to meet any contingency. Recommendations, which could allow the components' contingency contracting organizations to provide needed contracting support more efficiently are listed below.

#### **1. Establish Service-wide and Joint Scenario-based Training within DoD**

The Air Force has implemented scenario-based field training for its CCOs. While training is emphasized among the other Services, none have adapted this type of training on a large scale. The Army, like the Air Force, has an uniform and dedicated contingency contracting support structure within its MAJCOMs. FORSCOM provides this support to Army COSCOMS and DISCOMS. The researcher recommends that the FORSCOM Head of the Contracting Activity implements training similar to Top Dollar for subordinate contracting units. While the Marine Corps does not maintain uniform representation within its three MEFs, the Service could also benefit from such training. The researcher recommends that the Marine Corps implements training at the FSSG

level, such as stand-alone training for CCOs or include the field contracting training as a part of annual training exercises.

The Army's CINC-level contracting offices, U.S. Army Contracting Command Europe, and U.S. Army Contracting Command, Korea, are designated as the executive agents for joint contracting operations within their areas of responsibility. In addition to the implementation of similar training within the Army and Marine Corps, the researcher recommends these contracting commands establish scenario based training for their CCOs and CCOs from the contracting offices of the other Services within their regions to the maximum extent possible.

## **2. Establish Dedicated Contingency Contracting Representative within the Marine Corps**

The Marine Corps is the only component studied in this thesis without a committed contingency contracting chief. The researcher previously stated the opinion that the deficiencies within Marine Corps organization for contingency contracting are a result of or have continued to exist in the Service without correction due to the lack of dedicated representation within the Contract Division's Policy and Oversight Branch. The researcher recommends that the Contracts Division establish a billet for a Chief of Contingency Contracting Policy within its Policy and Oversight Branch.

This individual should focus solely on contingency contracting issues within the Service and hold the rank of Major or above. Contracts Division should staff this position with an officer that has previously served in a CCO billet. This recommendation is

consistent with the idea proposed by the researcher in Chapter IV that the Marine Corps provide additional utilization billets for its CCOs in order to retain and use the experience of its CCOs. The proposed Chief of Contracting Policy would be able to address the deficiencies within the Service's structure for contingency contracting and take corrective action. The Marine Corps would have the capability to provide more timely support to its subordinate CCOs and facilitate coordination with the contingency contracting chiefs of the other Services concerning joint plans, training, and actual contingencies through the establishment of this position.

### **3. Establish Individualized Service Pre-deployment Training**

DCMA will conduct all processing during BCOT. This evolution will include medical and dental processing, team building exercises, basic military skills training, and legal and intelligence briefings. This modification allows the agency to avoid repetitive training and processing experienced at JPOM. CCAS teams members will receive additional gear when arriving in theater, which allows members to deploy with only essential equipment and DCMA to avoid excessive baggage costs.

The researcher recommends that Air Force, Army, and Marine Corps individually provide pre-deployment training and processing for their personnel. Each Service can benefit from this type of training. All Services have different military requirements of their members and the establishment of Service-level processing allows each Service to tailor its training to include only requirements that are not normally satisfied. Marine

Corps pre-deployment training would not have to include marksmanship training since it is annual requirement within the Service. The researcher observed that several Air Force contracting squadrons provide this type of training to their CCOs. The training should be implemented uniformly throughout the Services and supervised by their contingency contracting chiefs.

#### **D. AREAS FOR FURTHER RESEARCH**

The areas of further research listed below are suggested to provide specific topics within DoD acquisition with relevance to contingency contracting or areas within contingency contracting that could provide current organizations the opportunity to examine possible innovations within the field of study.

##### **1. The Use of the Standard Procurement System during Contingencies**

Contracting personnel have noted that they must use administrative tools of the other Services at times during joint contingency operations. This process can add weeks to the learning curve of a new CCO during contingencies. As all DoD components continue to install and use SPS, this problem should be eliminated. A case study of the use of SPS during contingencies or training exercises should bring to light the advantages and challenges of the program and validate the feasibility of its use in contingency operations.



## **2. Revising CON 234 to Include Field Training**

All Services require their CCOs and contracting NCOs to take CON 234. The current course is two weeks and includes class instruction and presentations of case studies of past contingencies. Further research could describe the current format and objectives and determine the feasibility of potential changes in the curriculum such as more hands-on training or mock contracting scenarios in a field environment. The study could propose alternatives for future implementation by DAU.

## **3. Potential CONUS Legislative Relaxations for Contingency Contracting Operations and Training Exercises**

Chapter II provided a list of possible relaxations during overseas contingencies such as no Buy American Act, small business set-asides, or synopsis requirements in some instances. These relaxations are not available to personnel that take place in specific contracting training exercises such as Top Dollar or other exercises such as Cobra Gold or Agile Sword. These potential relaxations are also not available to CONUS personnel whom support actual contingencies. Further research could be conducted to determine potential and actual negative impacts that lack of relaxations during these instances has on contracting operations during subsequent contingencies.

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